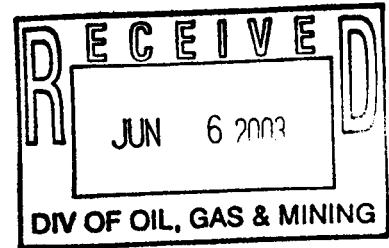


Crazy Mountain, Inc. DBA
Crazy Mountain Oil & Gas Services
P.O. Box 577
306 East 4th Street
Laurel, MT 59044
(406) 628-4164



June 25, 2003

State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

RE: Operator: Retamco Operating Inc.
Applications for Permit to Drill
Gorge Spring #1
Rat Hole Ridge #1
Uintah County, Utah

Attached are the replacement Applications for Permit to Drill for the subject wells.
The Operator requests that the information for this well be help CONFIDENTIAL
for the period of time allowed.

Please contact me if you have any questions or require additional information.

Sincerely,

Molly Conrad
Agent for Retamco Operating Inc.

Cc: Joe Glennon – Retamco Billings MT Office

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: UTU72339	6. SURFACE: Federal
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a	
2. NAME OF OPERATOR: Retamco Operating Inc. c/o Crazy Mountain Inc.		8. UNIT or CA AGREEMENT NAME:	
3. ADDRESS OF OPERATOR: P.O. Box 577 CITY Laurel STATE MT ZIP 59044		PHONE NUMBER: (406) 628-4164	9. WELL NAME and NUMBER: Rat Hole Ridge #1
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 605' FNL & 991' FEL Lot 1, Section 1, T15S, R25E AT PROPOSED PRODUCING ZONE: 4379119Y 39.54746 6666654X -109.06049		10. FIELD AND POOL, OR WILDCAT: Wildcat	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 15S 25E NENE		12. COUNTY: Uintah	
13. STATE: UTAH		14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 30 miles SE of Rainbow, Utah	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) Approximately 1000'	16. NUMBER OF ACRES IN LEASE: 1881.47	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	19. PROPOSED DEPTH: 3,000	20. BOND DESCRIPTION: UT-1088	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 8480.1 GL	22. APPROXIMATE DATE WORK WILL START: 8/10/2003	23. ESTIMATED DURATION: 10 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	9-5/8" OD H-40 32.3#	300	135 Prem AG Yld 1.16 Wt 15.8#/gal
			Circ to surface
7-7/8"	4-1/2" OD J-55 11.6#	3,000	280 Hi-fill Yld 3.85 Wt 3.85#/gal
			365 Prem AG w/10% Cal-Seal 60 & .4% Halad R-322
			and .2% HR-5
			Circ to surface

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Molly Conrad

TITLE Agent for Retamco Operating Inc.

SIGNATURE

DATE 6/24/2003

(This space for State use only)

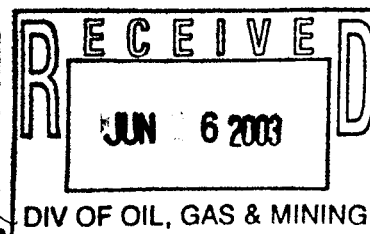
API NUMBER ASSIGNED:

43-047-35056

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-16-03

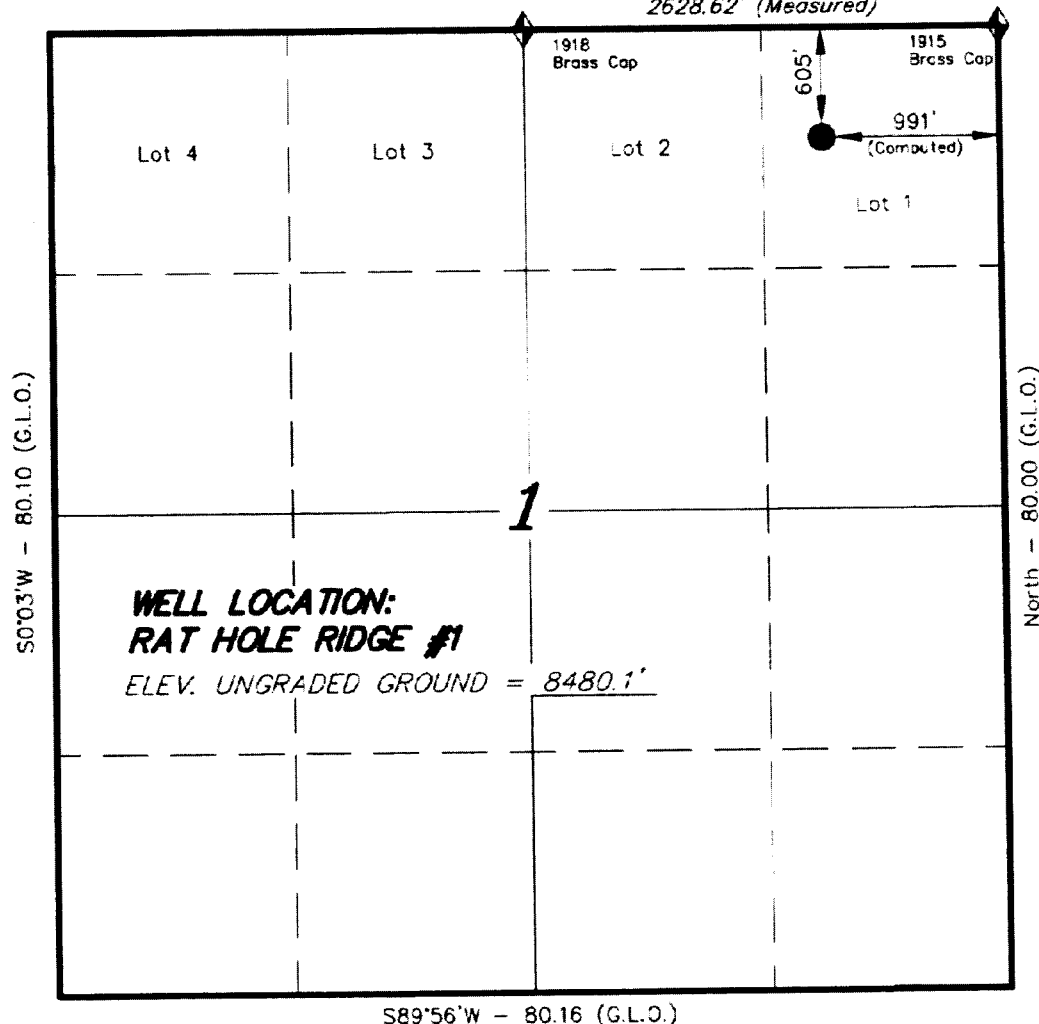
By: (See Instructions on Reverse Side)



T15S, R25E, S.L.B.&M.

N89°59'E (G.L.O.)

S89°59'W G.L.O. (Basis of Bearings)
2628.62' (Measured)



**WELL LOCATION:
RAT HOLE RIDGE #1**

ELEV. UNGRADED GROUND = 8480.1'

S89°56'W - 80.16 (G.L.O.)

S0°03'W - 80.10 (G.L.O.)

North - 80.00 (G.L.O.)

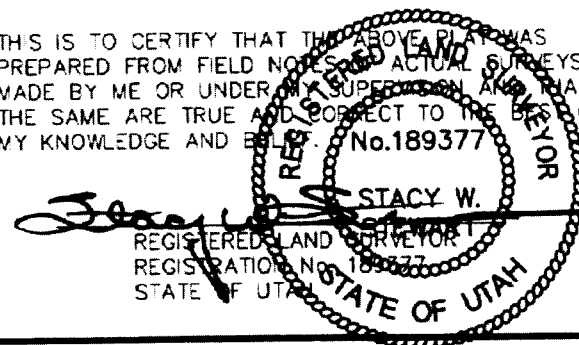
RETAMCO OPERATING, INC.

WELL LOCATION, RAT HOLE RIDGE #1,
LOCATED AS SHOWN IN LOT #1 OF
SECTION 1, T15S, R25E, S.L.B.&M.
UINTAH COUNTY, UTAH.

NOTE:

The well location bears S58°35'46"W
1161.12' from the Northeast corner
of Section 1.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES AND ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF. No.189377



TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

SCALE: 1" = 1000' SURVEYED BY: D.J.S.

DATE: 5-27-03 DRAWN BY: R.V.C.

FILE #



= SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (RAT HOLE RIDGE)

RETAMCO OPERATING INC.

Rat Hole Ridge #1

NENE Section 1, T15S, R25E

Uintah County, Utah

UTU-72399

3

EXHIBIT ATTACHMENTS FOR APD

- A SURVEY PLAT
- B PROPOSED SURFACE USE PROGRAM
- C WELLSITE LAYOUT
- D ACCESS ROADS (MAPS A AND B)
- E EXISTING ROADS (MAPS A AND B)
- F PROPOSED DRILLING PROGRAM
- G GEOLOGICAL PROGNOSIS
- H BOP SCHEMATIC
- I HAZMAT DECLARATION
- J ARCHEOLOGICAL REPORT
- K UTU-72399 LEASE STIPULATIONS
- L PROPOSED PIPELINE ROUTE

Rat Hole Ridge #1

Lot 1 Section 1, T15S, R25E

Uintah County, Utah

Federal Lease #UTU72399

EXHIBIT B

SURFACE USE PROGRAM

In accordance with requirements outlined in Bureau of Land Management Drilling and Operating Practices and the Lease UTU-72399 Stipulations attached:

1. **EXISTING ROADS:**

- a. Direction to the location from Rainbow, Utah is as follows:
Proceed southeast on Atchee Ridge Road out of Rainbow, Utah for approximately 28 miles, Atchee Ridge Road splits keep to left for approximately one mile on two-track road.
- b. For location of access roads, see Maps A and B.
- c. All existing roads within a 2-mile radius are shown on Maps A and B.
- d. Existing roads under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. **EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION:**

There are no existing wells within a 1-mile radius of the proposed location:

- a. Water Wells – 0
- b. Injection or Disposal Wells – 0
- c. Producing Wells – 0
- d. Drilling Wells – 0
- e. Abandoned Wells – 0

3. **PRODUCTION FACILITIES DIAGRAM:**

- a. A production facilities diagram will be submitted within 60-days after the completion of the well.

4. **LOCATION AND TYPE OF WATER SUPPLY:**

- a. Water will be trucked from John Hill's Ranch in Colorado (Section 7, T6S, R104W) or water may also be pumped and trucked from Bitter Creek in Utah (Section 13, T15S, R25E). Permission and permits will be obtained as needed.
- b. Water will be hauled to the location along the approved access roads.
- c. No water wells will be drilled on this lease.

Rat Hole Ridge #1

Lot 1 Section 1, T15S, R25E

Uintah County, Utah

Federal Lease #UTU723³99

Page 2

EXHIBIT B

5. CONSTRUCTION ROAD/LOCATION MATERIALS:

- a. Surface disturbance will not begin until after June 29, 2003 as required in the lease stipulations attached.
- b. The access road from the Book Cliffs divide road to the location will have to be upgraded.
 1. **Colorado Access Road Upgrade:** Starting in Colorado in the NW/SW of Section 7 T6S R104W the existing road will be upgraded to the following conditions. Pull ditches and crown access road. Approximate width of running surface 18'. Additional disturbed area for ditch would be 6-10 foot on each side of the access road. Road will be constructed from native material. Maximum grade will be less than 5%. Water bars and water turnouts will be used to reduce water flow and erosion in ditches. The access road would not be reclaimed if the well were a dry hole. The Colorado portion of the access road would be approximately 1 mile long and enter Utah in Section 12, T6S R105W.
 2. **Utah Access Road Upgrade:** Starting at the Utah/Colorado state line in Section 31 T14S R25E and in Section 1, T15S R25E. The existing road will be upgraded to the following conditions. Pull ditches and crown access road. Approximate width of running surface 18'. Additional disturbed area for ditch would be 6-10 foot on each side of the access road. Road will be constructed from native material. Maximum grade will be less than 5%. Water bars and water turnouts will be used to reduce water flow and erosion in ditches. The access road would not be reclaimed if the well were a dry hole.
 3. **State Owned Access:** Section 36, T14S R25E is owned by the State of Utah, access will be obtained from the State of Utah before construction begins.
 4. **New Construction for Access Road:** New construction will be required between the access road and location. New construction will be the same as listed above. The 225' of new road would be removed and reclaimed if the well is a dry hole.
- c. Top soil from location will be stockpiled and immediately seeded with the following seed mix:
 - Service Berry (3#/acre), Letter man Needle Grass (4#/acre), Mountain Broam (4#/acre), Thick Leaf Penstamim (1#/acre) and pure live seed.
- d. Surface and subsoil materials in the immediate area will be utilized.
- e. Any gravel used will be obtained from a commercial source.

Rat Hole Ridge #1

Lot 1 Section 1, T15S, R25E

Uintah County, Utah

Federal Lease #UTU72399

Page 3

EXHIBIT B

6. METHODS FOR HANDLING WASTE MATERIALS AND DISPOSAL:

- a. Garbage will be stored in a covered container and disposed of according to local and state regulations, at an approved facility. Disposal will not be allowed on location. No trash will be disposed of in the reserve pit.
- b. The reserve pit will be lined with 16-mil plastic and a felt pad will be used under the liner.
- c. Saltwater or testing tanks will be located and/or diked so that any spilled fluids will flow into the reserve pit. Saltwater tanks will not be placed on topsoil stockpiles.
- d. Any produced water will be contained on site for a period not to exceed 90 days.
- e. Sewage will be disposed of according to county and state requirements. Sealed chemical portable toilets will be on location during these drilling operations. Waste and chemicals will not be disposed of on location.
- f. Cuttings will be deposited in the reserve pit.

7. ANCILLARY FACILITIES:

- a. There are no ancillary facilities planned for this location.

8. WELL SITE LAYOUT:

- a. The well site layout is attached (Exhibit C).
- b. The location of the reserve pit, access roads to the location, and proposed equipment and facilities with respect to the existing wellbore is shown on the well site layout diagram.
- c. The reserve pit containing oil residue must be overhead flagged.
- d. Reserve Pit Fencing:
 1. The reserve shall be fenced with 39-inch net wire with at least one strand of barbed wire on the top of the net fence. If pipe or some kind of reinforcement rod is attached to the top of the entire fence, barbed wire will not be used. The net wire will be no more than 2-inches above the ground and the barbed wire or pipe reinforcement will be 3-inches above the net wire. The total height of the fence will be 42-inches.
 2. Corner braces will be cemented in such a manner as to keep the wire tight at all times.
 3. Line posts will be spaced no greater than 16-feet apart and will be made of steel, wood or pipe.
 4. All wire will be stretched tight with a stretching device before attaching to the corner braces

Rat Hole Ridge #1

Lot 1 Section 1, T15S, R25E

Uintah County, Utah

Federal Lease #UTU72309

Page 4

EXHIBIT B

e. **Reserve Pit Restoration:**

When the reserve pit is closed it will be immediately seed with the following seed mix:

- Service Berry (3#/acre), Letter man Needle Grass (4#/acre), Mountain Broom (4#/acre), Thick Leaf Penstamim (1#/acre) and pure live seed.

9. **SURFACE OWNERSHIP:**

Wellsite: Bureau of Land Management, Vernal District Office

10. **OTHER INFORMATION:**

- a. There will be no change from the proposed drilling program without prior approval from the Bureau of Land Management, Vernal District Office. Safe drilling and operating practices must be used. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with Bureau of Land Management, Vernal District Office.
- b. All contractors employed to perform work on this location will be furnished with a complete copy of this APD and supplemental conditions.
- c. Drilling operations will be conducted in accordance with the Bureau of Land Management, Vernal District office.

11. **PIPELINE RIGHT-OF-WAY**

- a. In order to market gas produced from the subject well a pipeline will have to be constructed from the well to a tie-in at the top of Baxter Pass. The gathering line would follow the route on the attached Map C and would be constructed of 2" or 4" steel line. The operator would prefer that the line be a surface line.

The proposed pipeline will follow the described route. Starting at the well location:

<u>Location</u>	<u>Owner/Surface Manager</u>	<u>Length</u>
Section 1, T15S, R25E	BLM/Utah	600'
Section 36, T14S, R25E	State of Utah	1,500'
Section 31, T14S, R26E	BLM/Utah	2,200'
Section 12, T6S, R105W	BLM/Colorado	4,500'
Section 7, T6S, R104W	BLM/Colorado	3,500'
Section 6, T6S, R104W	BLM/Colorado	5,280'
Section 35, T5S, R105W	BLM/Colorado	3,500'
Section 36, T5S, R105W	BLM/Colorado	3,500'
Section 25, T5S, R105W	BLM/Colorado	1,400'
Section 25, T5S, R105W	John Hill	2,630'
Section 36, T5S, R105W	BLM/Colorado	1,000'
Section 31, T5S, R104W	John Hill	7,000'
Section 32, T5S, R104W	John Hill	5,300'
Section 3, T6S, R104W	BLM/Colorado	250'
Section 33, T5S, R104W	BLM/Colorado	6,000'
Section 34, T5S, R104W	BLM/Colorado	250'

Rat Hole Ridge #1

Lot 1 Section 1, T15S, R25E

Uintah County, Utah

Federal Lease #UTU72309

Page 5

EXHIBIT B

PROPOSED PIPELINE CONTINUED:

Total line length is 48,410 feet (9.1 miles).

Ownership: 2800 ft BLM Utah
 1500 ft State of Utah
 14,950 ft John Hill/Colorado
 28,780 ft BLM/Colorado

The gathering line will be used to transport dry gas to a tie in at Baxter Pass. The line will be a 2" or 4" steel line depending on the production test after the well has been drilled and completed. The maximum pressure will be 1,000 psi. The line will be a surface line in Utah and on Fee ground.

12. **LESSEE'S OR OPERATOR'S REPRESENTATIVES:**

Retamco Operating: Joe Glennon
Retamco Operating Inc.
3301 Stonewall Lane
Billings, MT 59102
Attorney-In-Fact
(406) 248-5594

Drilling Contractor: SEI Drilling
1050 17th Street, Suite 500
Denver, CO 80265

Permitting Matters: Molly Conrad
Agent for Retamco Operating Inc.
Crazy Mountain, Inc.
P.O. Box 577
Laurel, MT 59044
(406) 628-4164 ext 2#

12. **CERTIFICATION:**

I HEREBY CERTIFY THAT I, OR PERSONS CONTRACTED BY RETAMCO OPERATING INC., HAVE INSPECTED THE PROPOSED DRILLSITE AND ACCESS ROUTE; THAT I AM FAMILIAR WITH THE CONDITIONS WHICH PRESENTLY EXIST; THAT ANY STATEMENTS MADE IN THIS PLAN ARE, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT; AND THAT THE WORK ASSOCIATED WITH THE OPERATIONS PROPOSED HEREIN WILL BE PERFORMED BY RETAMCO OPERATING INC. AND ITS CONTRACTORS AND SUBCONTRACTORS IN CONFORMITY WITH THIS PLAN AND THE TERMS AND CONDITIONS UNDER WHICH IT IS APPROVED. THIS STATEMENT IS SUBJECT TO THE PROVISIONS OF 18 U.S.C. 1001 FOR THE FILING OF A FALSE STATEMENT.

Date: 6-24-03.

Molly Conrad
Molly Conrad, Agent for Retamco Operating Inc.

Rat Hole Ridge #1
Lot 1 Section 1, T15S, R25E
Uintah County, Utah
Federal Lease #UTU72339
Page 1

EXHIBIT F

DRILLING PROGRAM

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations and the approved Application for Permit to Drill. The operator is considered fully responsible for the actions of his subcontractors.

A copy of the approved applications for permit to drill and the accompanying surface use and operations plan along with the conditions of approval shall be available to authorized personnel at the drillsite whenever active construction or drilling operations are underway.

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease, which would entitle the applicant to conduct operations thereon.

This well will be drilled to an anticipated Total Depth (TD) of 4000 feet.

1. **Geological Prognosis:**
Please see Geological Prognosis – Exhibit H
2. **Estimated Depth of Water, Oil, Gas & Other Mineral Bearing Formations:**
Please see Geological Prognosis – Exhibit H for anticipated formation tests and logs.
3. **BOP Equipment:**

Retamco Operating Inc. proposes to use a Ram Type: 3M BOP with annular. **Operator requests permission to test casing to 2000#.** Please see Exhibit I for BOPE Schematic.

Annular type preventers shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Rat Hole Ridge #1
Lot 1 Section 1, T15S, R25E
Uintah County, Utah
Federal Lease #UTU72339
Page 2

Pressure test are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned.

Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.

Valves shall be tested from working pressure side during BOPE test with all down-stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure test shall apply to all related well control equipment.

4. **Casing and Cementing Program:**

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position of the casing seat opposite a competent formation, which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting dept shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory well.
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory well.

Rat Hole Ridge #1
 Lot 1 Section 1, T15S, R25E
 Uintah County, Utah
 Federal Lease #UTU72339
 Page 3

- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500-psi compressive strength at the casing shoe prior to drilling out.
- f. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- g. Top plugs shall be used to reduce contaminations of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- h. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- i. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-300+/-	12-1/4"	9-5/8"	32.3#	H-40	ST&C	New
Production	300'-TD'	7-7/8"	4-1/2"	11.6#	J-55	ST&C	New

- j. Casing design subject to revision based on geological conditions encountered.

- k. The cement program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-300'	135+/- sacks Halliburton Premium AG; Yield – 1.16, weight 15.8#/gallon - sufficient volume to circulate to surface.

<u>Production</u>	<u>Type and Amount</u>
300'-TD	280+/- sacks Halliburton H-Fill – yield 3.85, weight 11#/gallon. Followed by 365+/- sacks Premium AG w/10% Cal-Seal 60 (accelerator), 0.4% Halad ®-322 (Low Fluid Loss Control) & 0.2% HR-5 (Retarder) Sufficient volume to circulate to top of oil shale. **NOTE: All producing intervals will be cemented with Premium AG cement.

After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. Waiting on Cement time shall be recorded in the driller's log.

Rat Hole Ridge #1
Lot 1 Section 1, T15S, R25E
Uintah County, Utah
Federal Lease #UTU72339
Page 4

1. The following reports shall be filed with the Bureau of Land Management; Vernal Office within 30 days after the work is completed.

1. Progress reports, Sundry Notices and Reports on Wells, must include complete information concerning:

- a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated to the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

- m. Auxiliary equipment to be used as follows:

1. Kelly Cock
2. No bit float is deemed necessary.
3. A sub with a full opening valve.

5. **Mud Program:**

- a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>PH</u>	<u>FL</u>
0-2000'	Clear Water				NA
2000'-TD	LSND Mud	9.0-9.7	30		NA

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

- b. Mud monitoring equipment to be used as follows:

1. Periodic visual monitoring of the mud system will be done to determine volume changes.

- c. The concentration of hazardous substances in the reserve pit at the time of the pit backfilling must not exceed the standards set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA).

- d. All oil and gas drilling related CERCLA hazardous wastes/substances removed from a location and not reused at another drilling location must be disposed of at an EPA approved hazardous waste facility.

Rat Hole Ridge #1
Lot 1 Section 1, T15S, R25E
Uintah County, Utah
Federal Lease #UTU72339
Page 5

6. **Testing, Logging & Coring:**

The anticipated type and amount of testing, logging, and coring are as follows:

- a. No drill stem tests are anticipated.
- b. The following logs will be run from Total Depth to Surface: DIL/GR/CNLD-GR
- c. No core tests are anticipated.
- d. When the well is completed "Well Completion and Recompletion Report will be submitted no later than 30 days after completion of the well. Two copies of all logs, core descriptions, core analysis, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling operations, workover, and/or completion operations, will be filed with the Completion Report. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

7 **Abnormal Pressures and Hydrogen Sulfide:**

- a. The expected bottom hole pressure is approximately 2431 psi. No abnormal pressures or temperatures are anticipated.
- b. No hydrogen sulfide gas is anticipated.

8. **Other Information and Notification Requirements:**

- a. Drilling is planned to commence approximately August 15, 2003 or as soon after APD approval as possible.
- b. It is anticipated that the drilling of this well will take approximately 10 days.
- c. The following shall be entered on the driller's log:
 1. Blowout preventer pressure tests, including test pressures and results;
 2. Blowout preventer tests for proper functioning;
 3. Blowout prevention drills conducted;
 4. Casing run, including size, grade, weight, and depth set;
 5. How the pipe was cemented, including amount of cement, type, whether the cement circulated, location of the cementing tools, etc.

Rat Hole Ridge #1
Lot 1 Section 1, T15S, R25E
Uintah County, Utah
Federal Lease #UTU72339
Page 6

6. Waiting on cement time for each casing string.
7. Casing pressure tests after cementing, including test pressures and results.
- d. If the abandonment of the hole is anticipated, an oral request may be granted by the authorized office, but must be timely followed with a "Notice of Intent to Abandon" on form 3160-5.
- e. Notification Requirements:
 1. The spud date will be reported to the Bureau of Land Management, Vernal Office with 24 hours. If the spudding occurs on a weekend or holiday, wait until the following regular workday to make this report.
 2. The Bureau of Land Management, Vernal Office will be notified at least 24 hours in advance to BOP pressure tests.
 3. The Bureau of Land Management, Vernal Office will be notified verbally at least 24 hours prior to running/cementing surface casing or running and casing tests.
 4. The Bureau of Land Management, Vernal Office must be notified at least 48 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If the well is abandoned, all pits must be fenced immediately until they are backfilled. The Subsequent Report of Abandonment must be submitted within 30 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If the surface restoration has not been completed at that time, a follow-up report on surface restoration should be filed when all surface restoration work has been completed and the location is considered ready for final inspection.
 5. A monthly Status report shall be submitted Sundry Notice until such time as the Completion report is filed.
- f. The authorized office must approve any change in the program. Sundry Notices and Reports on Wells must be filed for all changes of plans and other operations. Emergency approval must be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, which will result in disturbance of new ground, will require the filing of a suitable plan and prior approval by the authorized officer is required.

Rat Hole Ridge #1
Lot 1 Section 1, T15S, R25E
Uintah County, Utah
Federal Lease #UTU72339
Page 7

- g. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned, shall be identified in accordance with Bureau of Land Management Drilling and Operating Practices. There shall be a sign or marker with the name of the Operator, lease serial number, well number and surveyed description of the well. Any changes in operation must have prior approval from the Bureau of Land Management, Vernal Office.
- h. When the well is completed or plugged and abandoned the Well Completion and Recompletion Report will be submitted not later than 30 days after the plugging operation is completed. Two copies of all logs run and all other surveys or data obtained and compiled during drilling, workover, and/or completion operations will be filed with the completion report.

Retamco Operating Inc.

Well Geologic Prognosis Proposed Gas Well

Location & Surface Data

State:	Utah	County:	Uintah
Location:	Lot #1 Section 1, T15S, R25E		
Ftge	605' FNL & 991' FEL		
Well Name:	Rat Hole Ridge	Well No.	#1
Elev: GL	8480.1'	KB	

Geologic Data

Primary Objective:	
Surface Fm:	Wasatch
Projected TD (ft)	3000'
Projected Prod Fm.	
Other:	Bed Dip
Diff. in Depth from 15 deg.	GL
	8480.1'

Formation Tops	Projected Depth (ft)	Sub-Sea	Comments
Wasatch	0		
Mesa Verde	720'	6781	
Castlegate	2650	4851	

Core Intervals and/or Ftge	No Cores or DST's planned	Comments:	Will have Mud Logger Surface to TD
----------------------------	---------------------------	-----------	------------------------------------

Test Intervals & Depths	Will be determined while drilling	Comments:	All Oil & Gas shows during drilling operations will be tested to measure formation reservoir characteristics.
-------------------------	-----------------------------------	-----------	---

Completion Intervals	None	Comments:	See drilling and completion program for details.
----------------------	------	-----------	--

Notes

RETAMCO OPERATING INC.

Rat Hole Ridge #1

Lot 1 Section 1, T15S, R25E

Uintah County, Utah

Federal Lease #UTU723³09

HAZMAT DECLARATION – EXHIBIT I

- A. Hazardous chemicals 10,000 pounds of which will most likely be used, produced, stored, transported, or disposed of in association with the proposed action of drilling, testing and plugging this well:

Retamco Operating Inc. anticipates that none of the hazardous chemicals in quantities of 10,000 pounds or more will be associated with these operations.

- B. Extremely hazardous substances threshold quantities of which will be used, produced, stored, transported, or disposed of in association with the proposed action of drilling, testing and plugging this well:

Retamco Operating Inc. anticipates that none of the extremely hazardous substances in threshold quantities per 40 CRF 355 will be associated with these operations.

CULTURAL RESOURCE INVENTORY OF
RETAMCO OPERATING COMPANY'S PROPOSED
RAT HOLE RIDGE #1 AND GORGE SPRING #1
WELL LOCATIONS, UINTAH COUNTY, UTAH

By:

Melissa Elkins
and
Keith R. Montgomery

Prepared For:

Bureau of Land Management
Vernal Field Office

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

June 4, 2003

MOAC # 03-10

United States Department of Interior (FLPMA)
Permit No. 03-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-03-MQ-0466b

INTRODUCTION

Cultural resource inventories were conducted by Montgomery Archaeological Consultants (MOAC) for Retamco Operating Company's two proposed well locations and access roads in Uintah County, Utah. The proposed well locations are designated Rat Hole Ridge #1 and Gorge Spring #1. The survey was implemented at the request of Ms. Molly Conrad, Crazy Mountain Inc., Laurel, Montana. The inventory areas are situated on land administered by the Bureau of Land Management (BLM), Vernal Field Office.

The objective of the inventory was to locate, document, and evaluate any cultural resources in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventories were implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed by Keith R. Montgomery on May 30, 2003, under the auspices of U.S.D.I. (FLPMA) Permit No. 03-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-03-MQ-0466b issued to Montgomery Archaeological Consultants, Moab, Utah. A file search for previous archaeological inventories and documented cultural resources was conducted on May 27, 2003 by Keith Montgomery at the BLM Vernal Field Office, Vernal, Utah. This consultation indicated that only one cultural resource inventory has been conducted in the current project area. In 1995, Grand River Institute conducted an inventory of three proposed well locations for Amoco Production Company resulting in the documentation of one new prehistoric rock art panel, 42Un2236, and the revisitation of a previously recorded prehistoric rock art panel, 42Un1017 (Conner 1995). Both of these sites are located outside of the current project area; along the access road for the proposed Bitter Creek #24-3-15-25 well location, located in Section 3 of Township 15 South, Range 25 East.

DESCRIPTION OF PROJECT AREA

The project area consists of two proposed well locations for Retamco Operating Company with associated access roads located southwest of Rainbow, Utah in Uintah County, near the Colorado border. Proposed Rat Hole Ridge #1 well location is situated in the NE/NE 1/4 of Section 1, Township 15 South, Range 25 East, with a 3600 ft. long access route in Sections 31 and 36 of Township 14 South, Range 25 East (Figure 1). Proposed Gorge Spring #1 well location is situated in the NE/NE1/4 of Section 14, Township 15 South, Range 24 East, with a 600 ft. long access route (Figure 2). Both of these proposed well locations are situated on lands administered by the Bureau of Land Management, Vernal Field Office.

The project area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The entire Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. This is an area of broad erosional benches with extensive badland rims along the drainages. The heavily eroded benches and mesas are capped with sand and silt which erode downslope forming areas of sand dunes, sand sheets, and colluvial clays.

The project area includes recent alluvial deposits, older alluvial terrace deposits, and rock outcrops of the Upper Eocene Uinta Formation. The Uinta Formation occurs as eroded outcrops formed by fluvial deposited stream laid interbedded sandstone and mudstone. This formation is known for its fossil vertebrate turtles, crocodilians, fish, and mammals. Rod Sheetz, MOAC Paleontologist, researched the project area for potential paleontologic resources. Topographically, both of the proposed well locations lie on top of ridges where the likelihood of resources is slim. Further, the locations are situated within the Evacuation Creek Member of the Green River Formation which is a category II unit, and the Bureau of Land Management does not require a paleontologic survey unless fossils have previously been discovered there.

The elevation of the project area ranges from 7600 to 8000 feet a.s.l. Major landmarks in the area include Tom Patterson Ridge, Tom Patterson Canyon, Sweet Water Canyon, and Gorge Spring. Vegetation at proposed well location Gorge Spring #1 consists of pinon/juniper woodland and low sage. At proposed well location Rat Hole Ridge #1, sparse pinon and juniper, oak, and mountain mahogany were observed. Modern disturbances include livestock grazing, roads, and oil/gas development.

SURVEY METHODOLOGY

An intensive pedestrian survey was performed by the author for this project which is considered 100% coverage. At each of the three proposed well locations, a 10 acre square was defined, centered on the well pad center stake. The interiors of the well locations were examined for cultural resources by the archaeologist walking parallel transects spaced no more than 10 meters apart. The access roads were surveyed to a 100 foot width by walking parallel transects along the staked centerline, spaced no more than 10 meters apart. Ground visibility was considered good. A total of 29.6 acres was surveyed for this project on public land administered by the BLM (Vernal Field Office).

RESULTS AND RECOMMENDATIONS

The inventory of Retamco Operating Inc. two proposed well locations resulted in the finding of no new cultural resources. Based on the finding, a determination of "no historic properties affected" is recommended for this project pursuant to Section 106, CFR 800.

REFERENCES CITED

Conner, C.E.

- 1995 Cultural Resource Inventory Report of Three Proposed Well Locations: Bitter Creek #24-3-15-25, Rat Hole Canyon #23-23-14-25, and Rat Hole Ridge #23-35-14-25 and Related Access in Uintah County, Utah for Amoco Production Company. Report Number U-95-GB-295bps. Grand River Institute, Grand Junction, Colorado.

Stokes, William L.

- 1986 Geology of Utah. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.

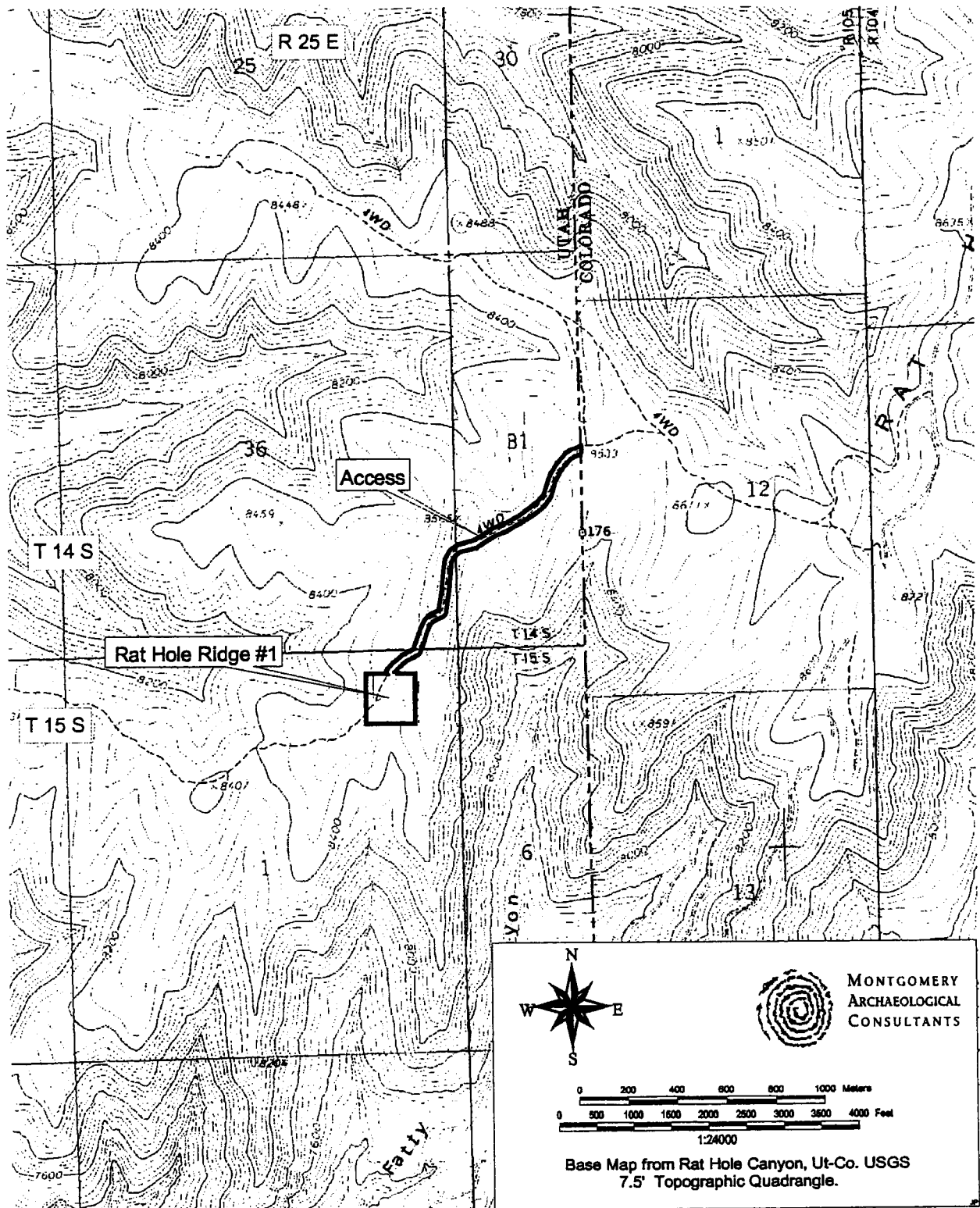


Figure 1. Inventory Area of Retamco's Proposed Rat Hole Ridge #1 well location in Uintah County, UT. USGS 7.5' Rat Hole Ridge, UT-CO 1987. Scale 1:24000.

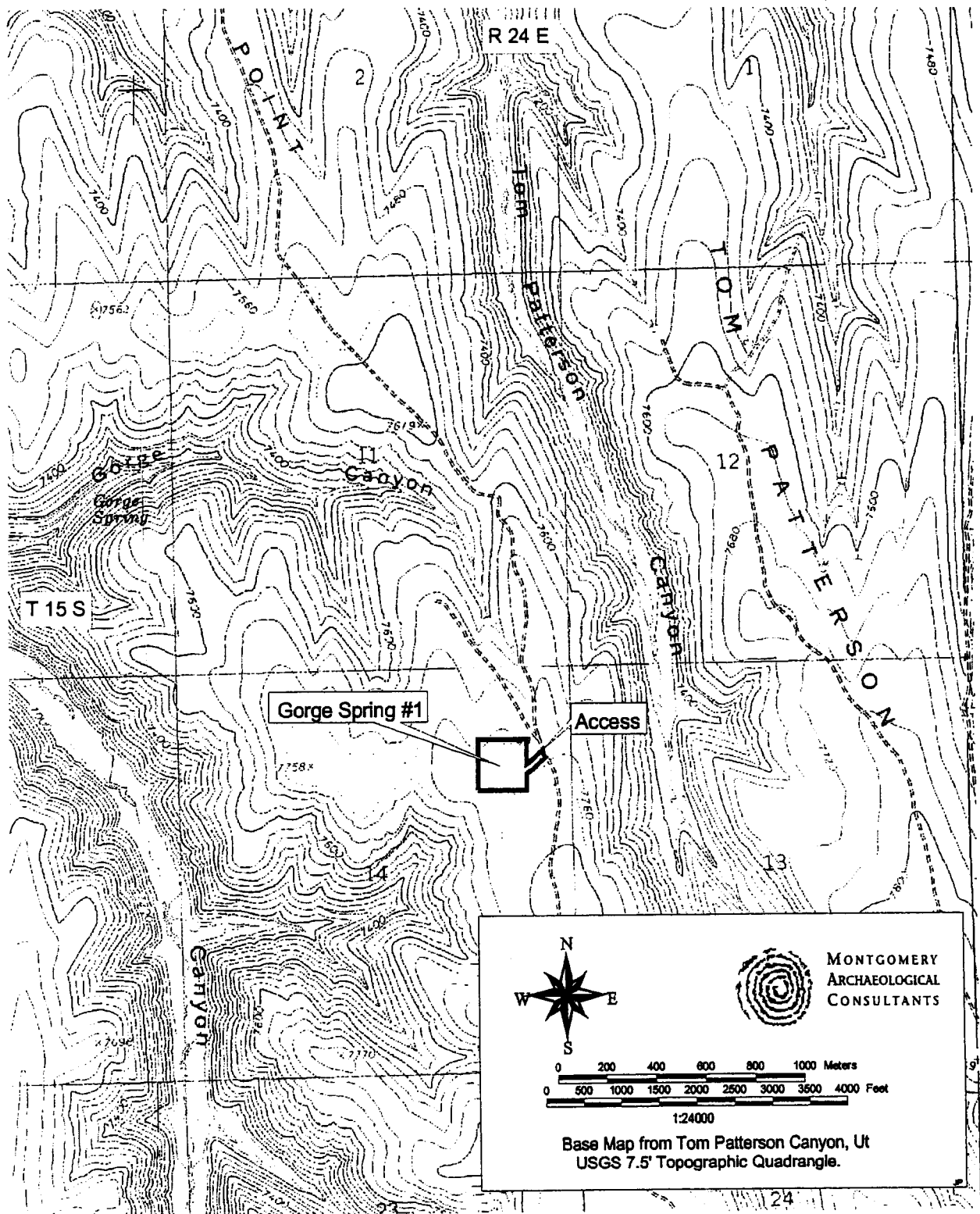


Figure 2. Inventory Area of Retamco's Proposed Gorge Spring #1 well location in Uintah County, UT. USGS 7.5' Tom Patterson Canyon, UT. Scale 1:24000.

SEL KIS #1

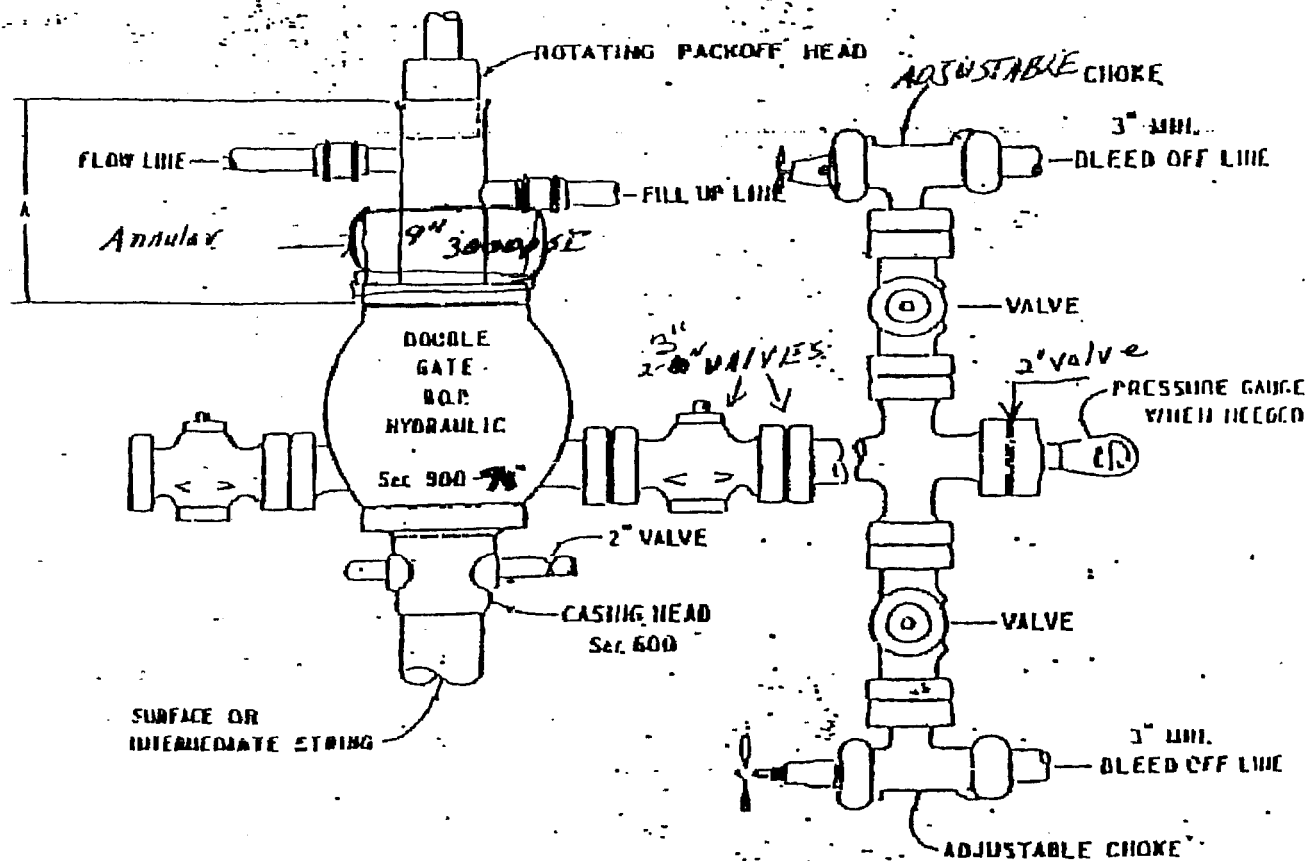
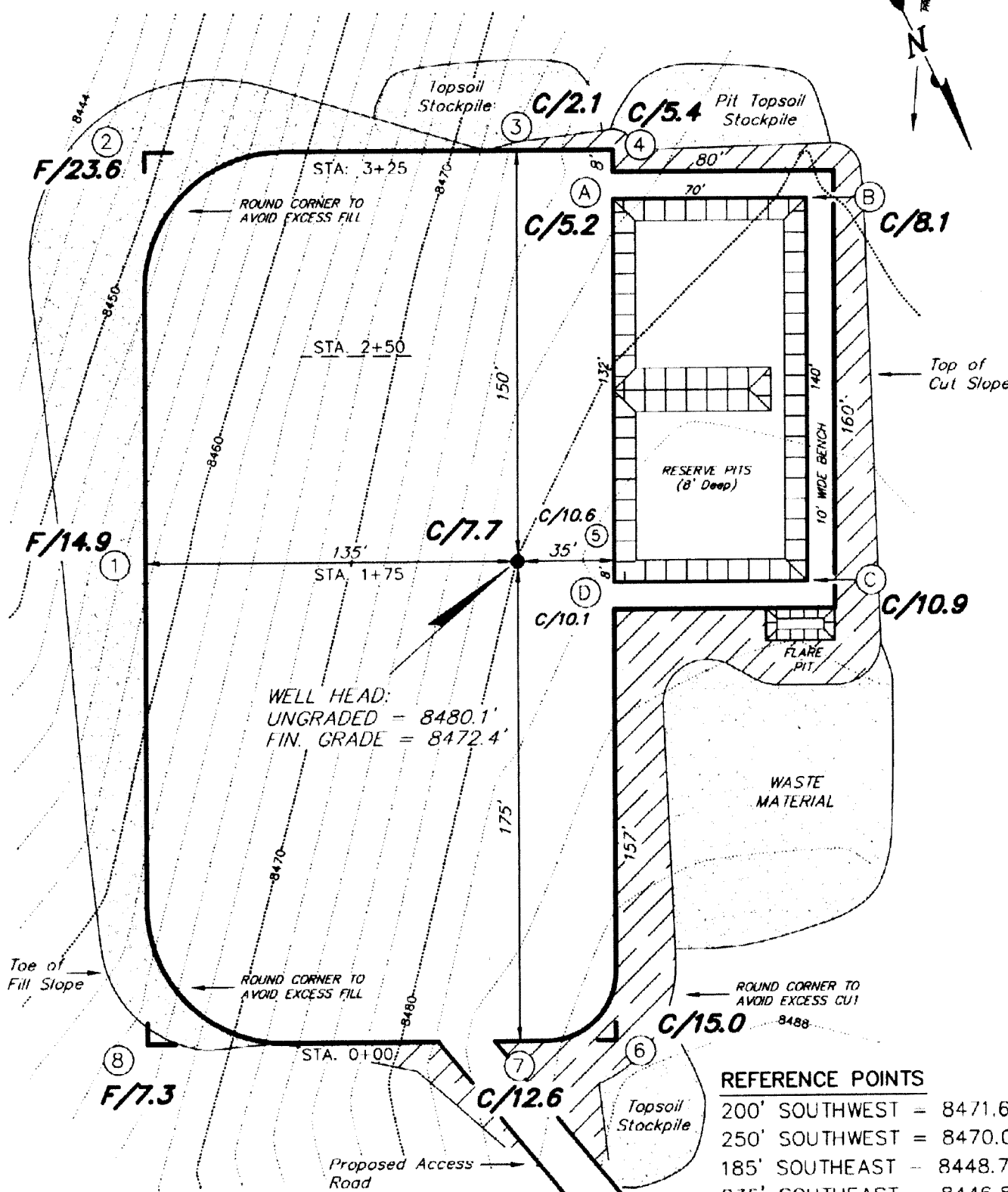


EXHIBIT H
BLOWOUT PREVENTER DIAGRAM

RETAMCO OPERATING, INC.

RAT HOLE RIDGE #1
Section 1, T15S, R25E, S.L.B.&M.



WELL HEAD:
UNGRADED = 8480.1'
FIN. GRADE = 8472.4'

REFERENCE POINTS

- 200' SOUTHWEST = 8471.6'
- 250' SOUTHWEST = 8470.0'
- 185' SOUTHEAST = 8448.7'
- 235' SOUTHEAST = 8446.8'

SURVEYED BY: K.G.S.

SCALE: 1" = 50'

DRAWN BY: R.V.C.

DATE: 5-27-03

Tri State
Land Surveying, Inc.

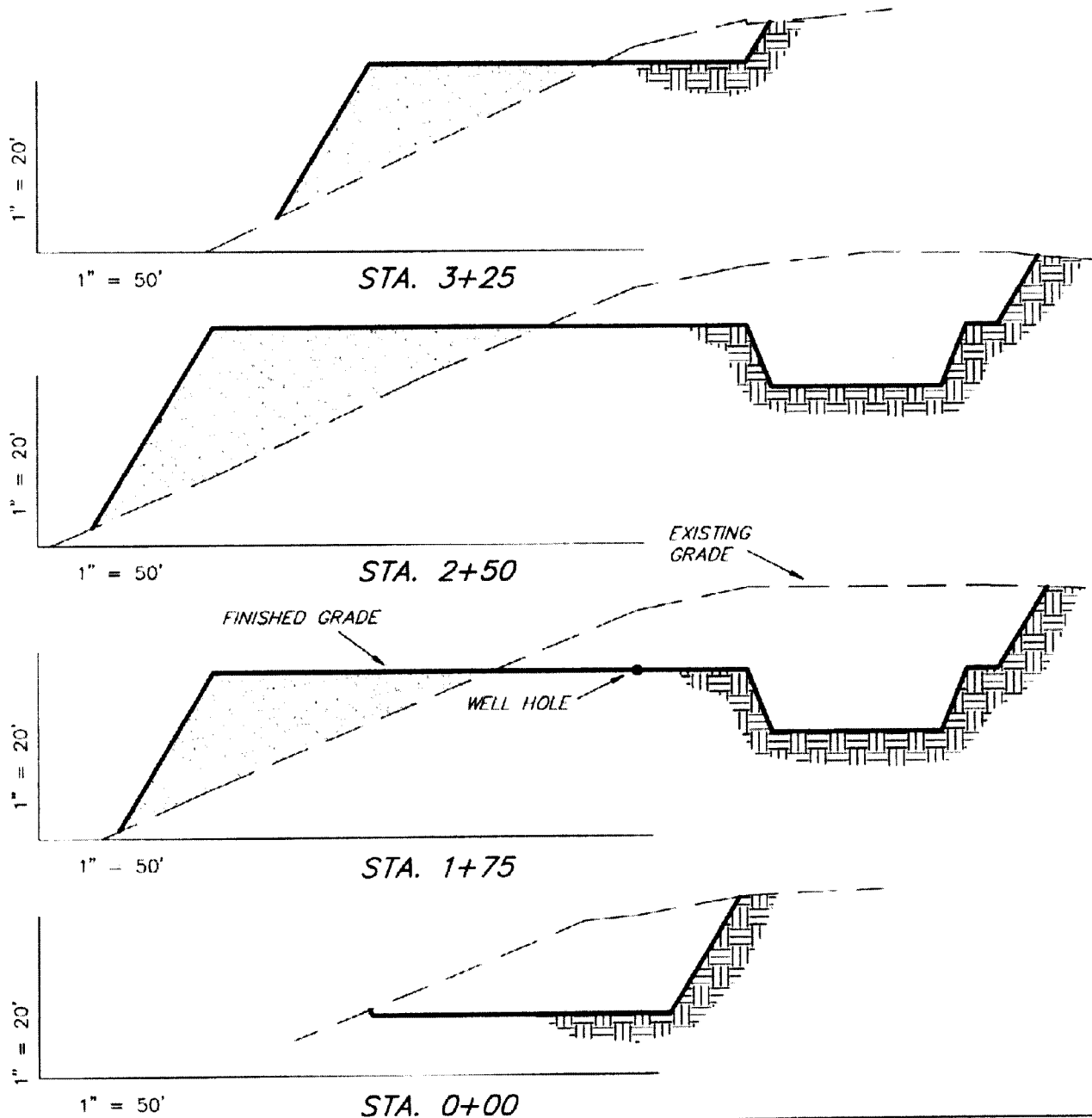
38 WEST 100 NORTH VERNAL, UTAH 84078

(435) 781-2501

RETAMCO OPERATING, INC.

CROSS SECTIONS

RAT HOLE RIDGE #1



NOTE:
UNLESS OTHERWISE NOTED
CUT SLOPES ARE AT 1:1
FILL SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES

(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	11,750	11,750	Topsoil is not included in Pad Cut	0
PIT	2,310	0		2,310
TOTALS	14,060	11,750	1,260	2,310

SURVEYED BY: K.G.S.

SCALE: 1" = 50'

DRAWN BY: R.V.C.

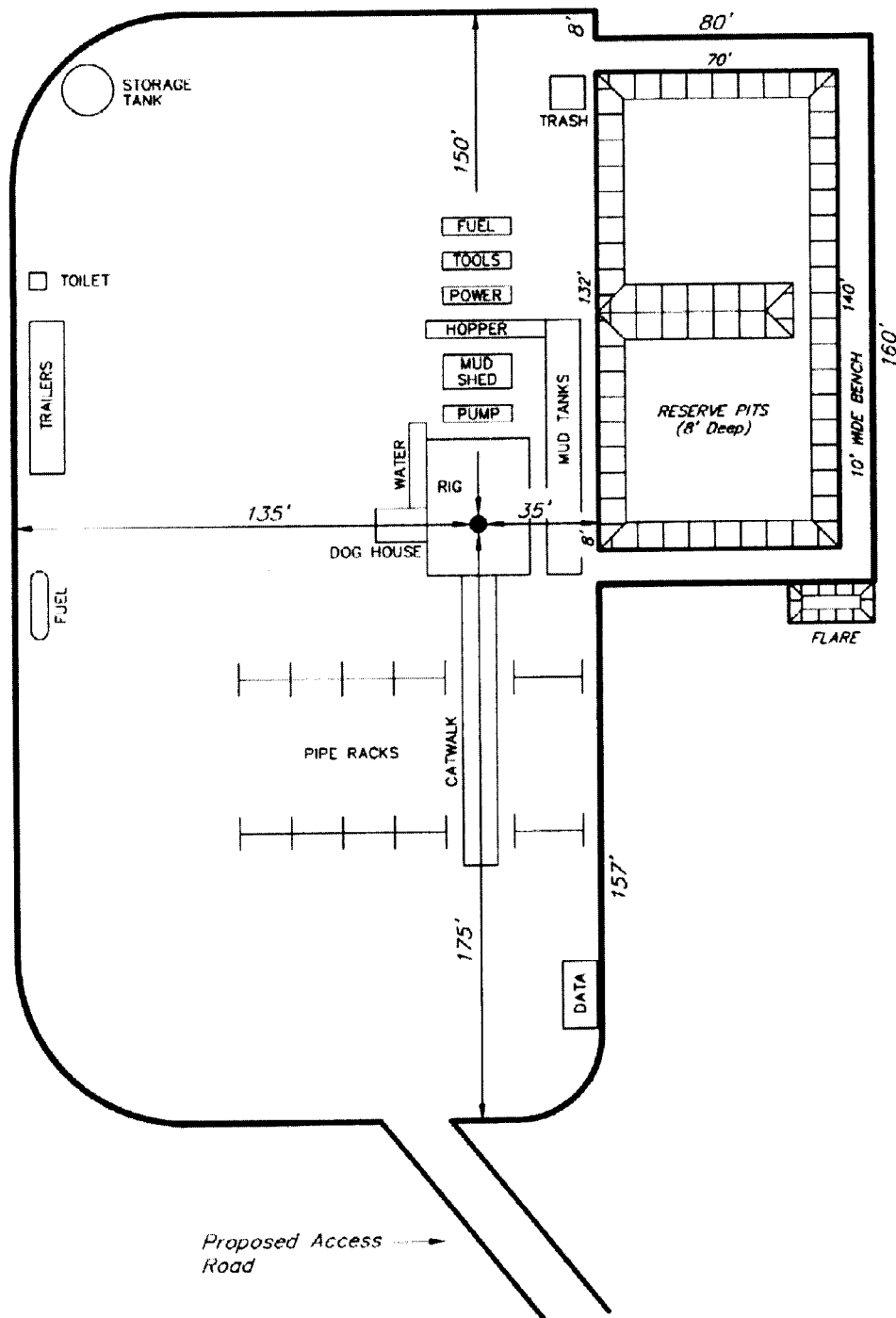
DATE: 5-27-03

Tri State
Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

(435) 781-2501

RETAMCO OPERATING, INC.

TYPICAL RIG LAYOUT RAT HOLE RIDGE #1



SURVEYED BY: K.G.S.

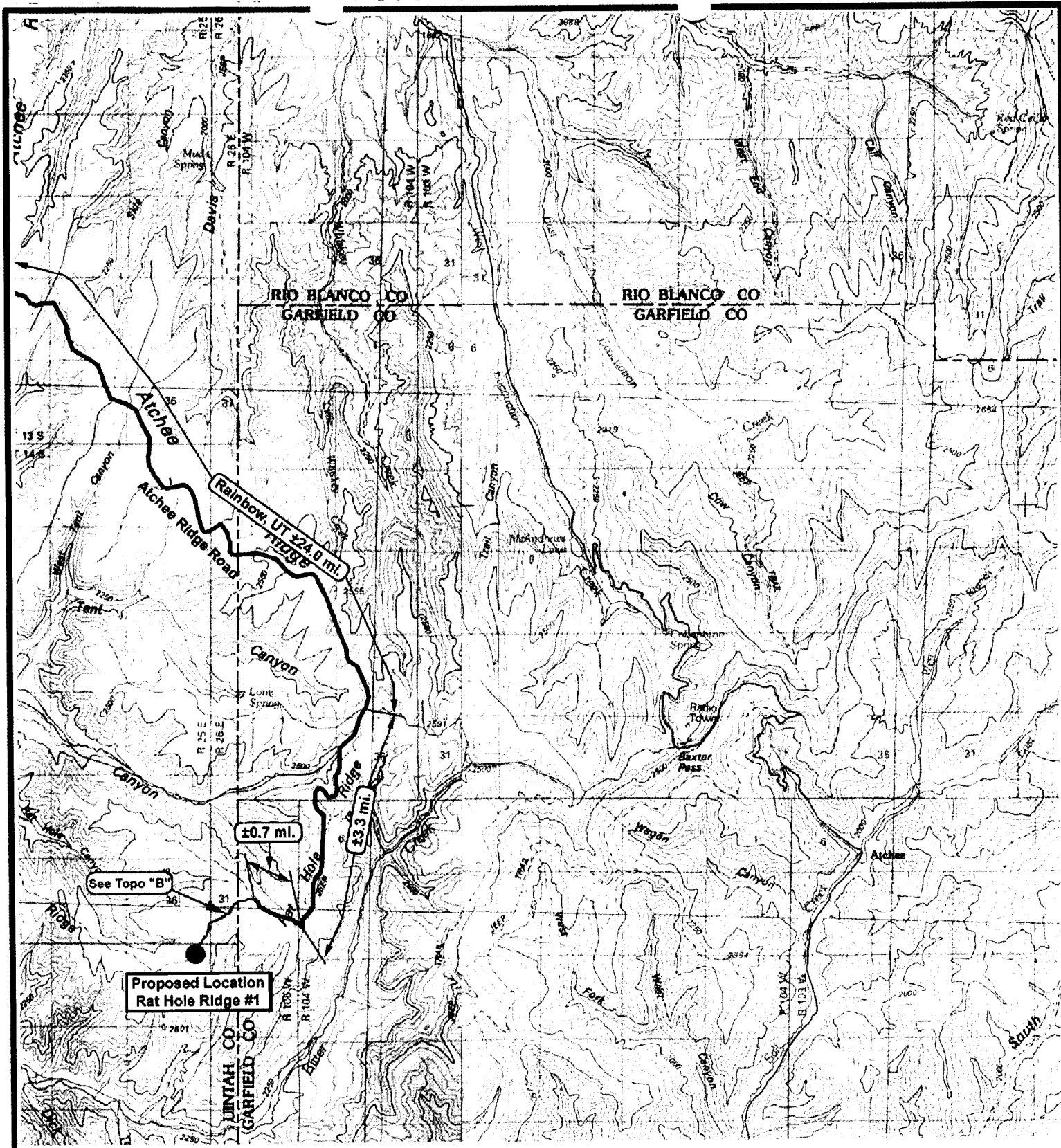
SCALE: 1" = 50'

DRAWN BY: R.V.C.

DATE: 5-27-03

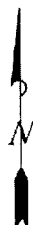
Tri State
Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

(435) 781-2501



RETAMCO
OPERATING INC.

**Well Pad Rat Hole Ridge #1
SEC. 1, T15S, R25E, S.L.B.&M.**



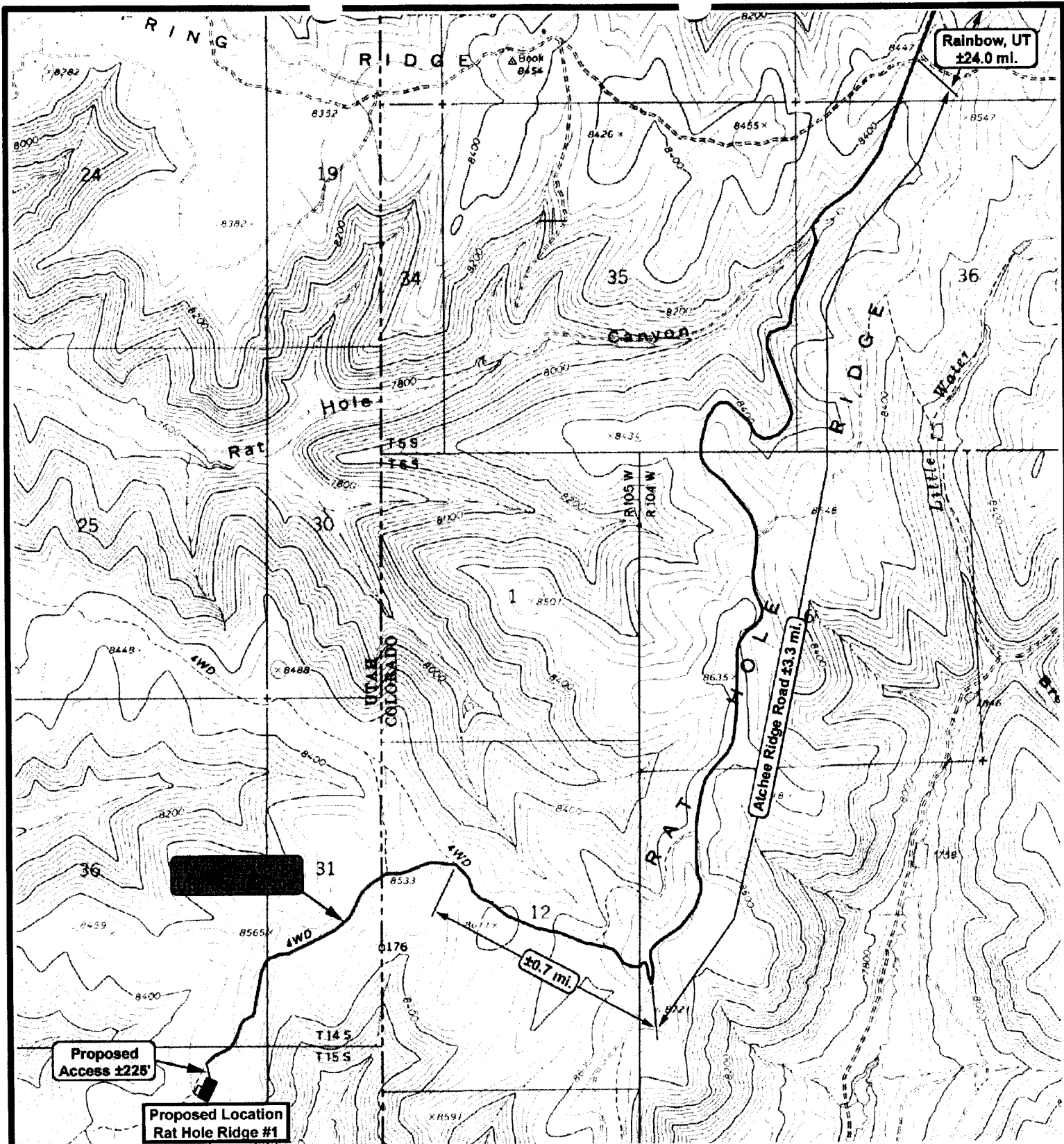
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: R.A.B.
DATE: 05-30-2003

Legend
Existing Road
Proposed Access

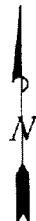
TOPOGRAPHIC MAP

"A"



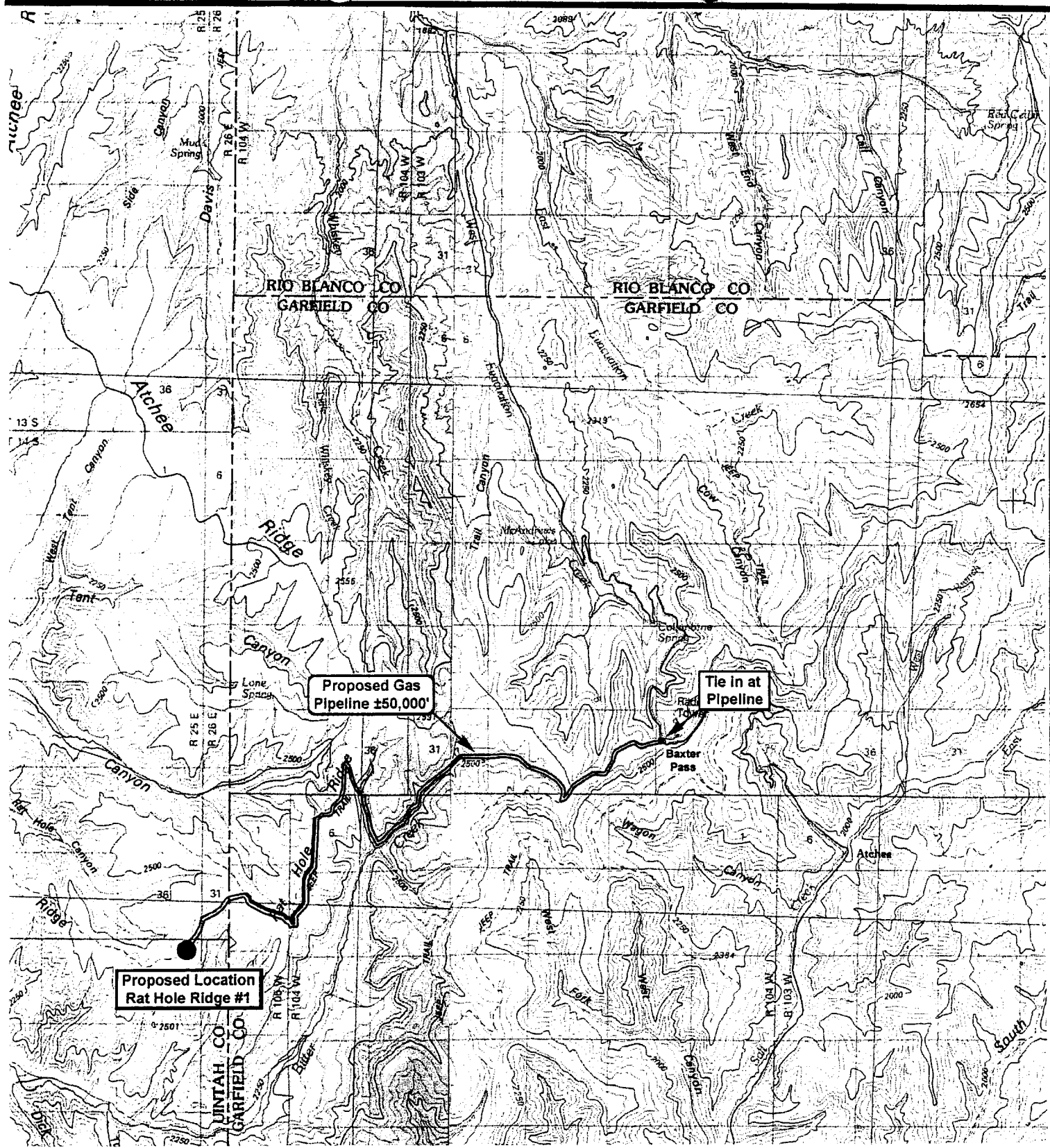
RETAMCO
OPERATING INC.

Well Pad Rat Hole Ridge #1
SEC. 1, T15S, R25E, S.L.B.&M.



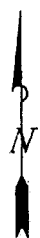
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 05-28-2003



RETAMCO
OPERATING INC.

**Well Pad Rat Hole Ridge #1
SEC. 1, T15S, R25E, S.L.B.&M.**



**Tri-State
Land Surveying Inc.**

(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000

DRAWN BY: R.A.B.

DATE: 06-12-2003

Legend

Roads
 Proposed Gas Pipeline

TOPOGRAPHIC MAP

"C"

ENTRY 95002066
Book 593 Page 662

Oil and Gas
UTU-72399

STIPULATIONS

CONTROLLED SURFACE USE - 100 YEAR FLOODPLAINS

Surface occupancy or use is subject to the following special operating constraints.

No surface use will be allowed within the 100 year floodplain of Bitter Creek.

On the lands described below:

T. 15 S., R. 25 E., SIM, Utah
Sec. 4: lot 4;
Sec. 11: lots 1-6;
Sec. 13: lots 1, 2;
Sec. 14: lot 1.

For the purpose of:

Protection of floodplains and wetlands as discussed in the Book Cliffs Resource Management Plan and EIS (p. 78). This stipulation may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

TIMING LIMITATION - CRUCIAL ELK CALVING AND DEER FAWNING HABITAT

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.
May 15 through June 29.

On the lands described below:

T. 15 S., R. 25 E., SIM, Utah
Sec. 1: all;
Sec. 4: lots 1-4, S2N2;
Sec. 7: SWSE;
Sec. 11: NESE;
Sec. 13: S2NW, NWSE;
Sec. 14: lot 2, S2NE, W2.

For the purpose of (reasons):

Protection of crucial elk calving and deer fawning habitat as discussed in the Book Cliffs Resource Management Plan and EIS (p. 112). This stipulation may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

STIPULATIONS CONTINUED ON NEXT PAGE:

ENTRY 95002066
BOOK 593 PAGE 663Oil and Gas
UTU-72399

NOTICE

The lessee/operator is given notice that the area is known to have severe winter conditions. The authorized officer may require modifications to the Surface Use Plan of Operations to protect the environment during severe winter conditions. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

The lessee/operator is given notice that the E2E2 Sec. 1; lots 1-6, NESE Sec. 11; lots 1, 2, S2NW Sec. 13, T. 15 S., R. 25 E., SIM, Utah, is considered to have high quality visual resources. Modifications to the Surface Use Plan of Operations may be required to protect the visual resources. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

The lessee/operator is given notice that lands within this lease have been identified as being within the 100 year floodplains of Chipeta Canyon and Dick Canyon. Riparian areas have been identified as being associated with these floodplains and the Mary Wapinas Spring. Modifications to the Surface Use Plan of Operations may be required for the protection of the floodplain and associated riparian areas. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

5. Lease Serial No.
UTU-72399

6. If Indian, Allottee or Tribe Name
n/a

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
Rat Hole Ridge #1

9. API Well No.

10. Field and Pool, or Exploratory
Wildcat

11. Sec., T., R., M., or Blk. and Survey or Area
Lot 1, Sec 1, T15S, R25E

12. County or Parish
Uintah

13. State
Utah

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

Retamco Operating Inc.

3a. Address

3301 Stonewall, Billings MT 59102

3b. Phone No. (include area code)

406-248-5594

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface Lot 1, Section 1, T15S, R24E

At proposed prod. zone 605' FNL & 991' FEL

14. Distance in miles and direction from nearest town or post office*

Approximately 30 miles Southeast of Rainbow Utah

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

16. No. of Acres in lease
1881.47

17. Spacing Unit dedicated to this well
40 acres

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

19. Proposed Depth
3000;

20. BLM/BIA Bond No. on file
UT-1088

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

8480.1' GL

22. Approximate date work will start*

August 10, 2003

23. Estimated duration

10 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the
authorized officer.

25. Signature

Molly Conrad

Name (Printed/Typed)

Molly Conrad

Date

6-14-03

Title

Agent for Retamco Operating Inc.

Approved by (Signature)

Name (Printed/Typed)

Date

Title

Office

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

002

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

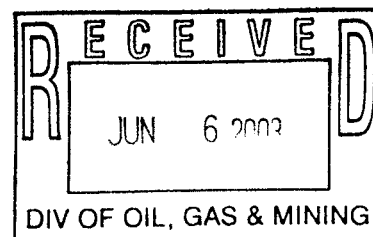
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU72399
2. NAME OF OPERATOR: Retamco Operating Inc., c/o Crazy Mountain Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: P.O. Box 577 CITY Laurel STATE MT ZIP 59044		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 605' FNL & 991' FEL		8. WELL NAME and NUMBER: Rat Hole Ridge #1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 15S 25E		9. API NUMBER:
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 8/10/2003	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input checked="" type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

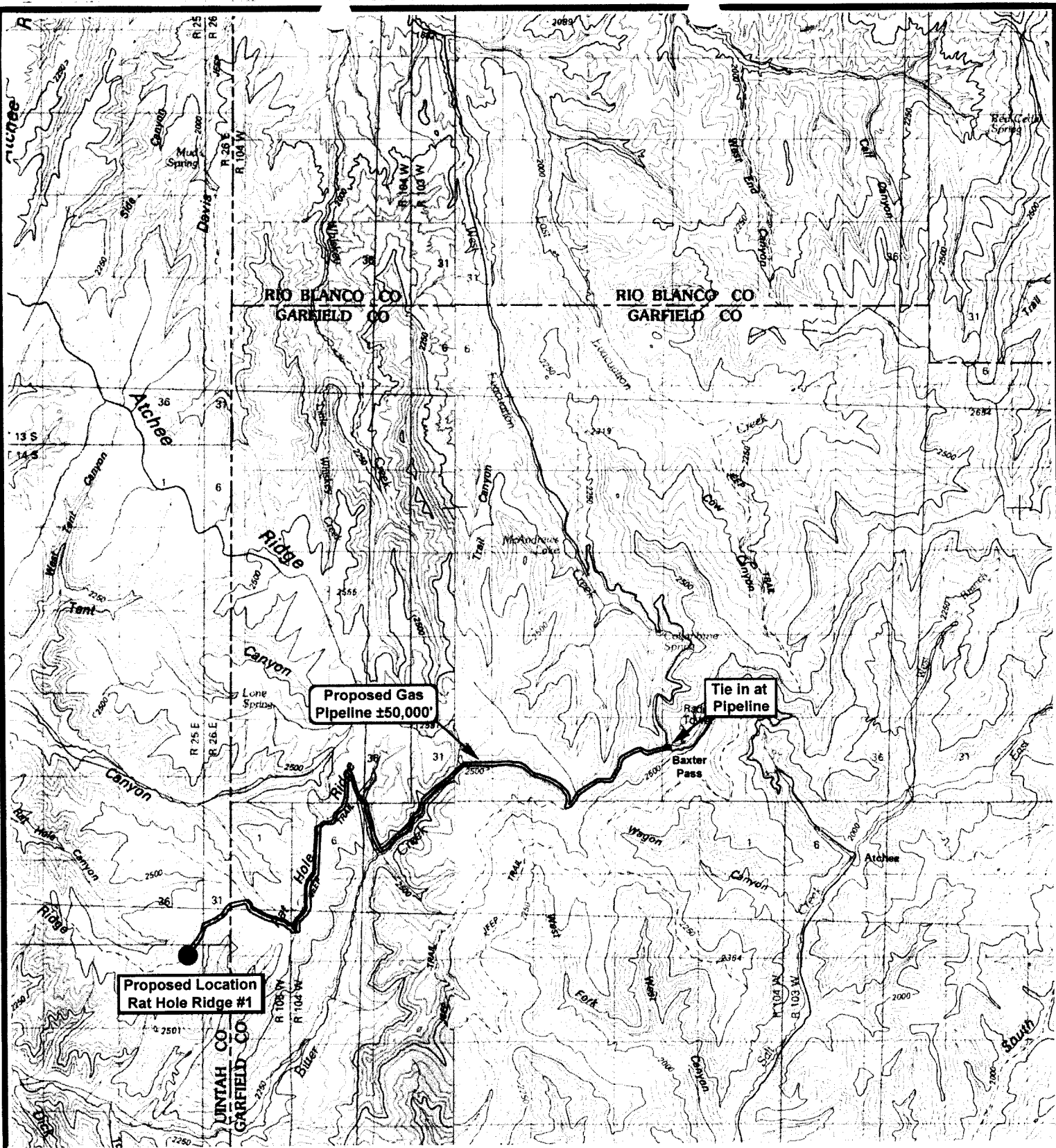
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Retamco Operating Inc. would like to request a right-of-way from the State of Utah for Section 36, T14S, R25E for the purpose of building a pipeline to transport dry-gas to a pipeline tie-in on Baxter Pass, Colorado. The proposed right-of-way would be 1500' in Section 36, Uintah County. The pipeline would be constructed of 2" or 4" steel line and the operator would like to request that they be allowed to build a surface pipeline.



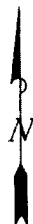
NAME (PLEASE PRINT) <u>Molly Conrad</u>	TITLE <u>Agent for Retamco Operating Inc.</u>
SIGNATURE <u>Molly Conrad</u>	DATE <u>6/24/2003</u>

(This space for State use only)



RETAMCO
OPERATING INC.

**Well Pad Rat Hole Ridge #1
SEC. 1, T15S, R25E, S.L.B.&M.**



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000

DRAWN BY: R.A.B.

DATE: 06-12-2003

Legend

— Roads

— Proposed Gas Pipeline

TOPOGRAPHIC MAP

"C"

007

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/26/2003

API NO. ASSIGNED: 43-047-35056

WELL NAME: RAT HOLE RIDGE 1OPERATOR: RETAMCO OPERATING INC (N6020)CONTACT: MOLLY CONRADPHONE NUMBER: 406-628-4164

PROPOSED LOCATION:

NENE 01 150S 250E

SURFACE: 0605 FNL 0991 FEL

BOTTOM: 0605 FNL 0991 FEL

UINTAH

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-72339

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: CSLGT

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.54746

LONGITUDE: 109.06049

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT-1088)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit
(No. 43-8496)☒ RDCC Review (Y/N)
(Date: _____)☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

 R649-2-3.

Unit _____

 R649-3-2. GeneralSiting: 460 From Qtr/Qtr & 920' Between Wells☒ R649-3-3. **Exception** Drilling Unit

Board Cause No: _____

Eff Date: _____

Siting: _____

 R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal approved
2- Spacing Strip



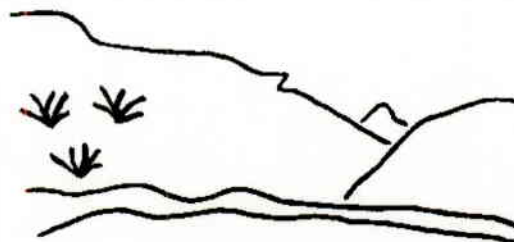
OPERATOR: RETEMCO OPERATING (N6020)

SEC.1 T.15S, R.25E

FIELD: WILDCAT (001)

COUNTY: UTAH

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

Wells

- ✓ GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- × TEMP. ABANDONED
- × TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA MASON
DATE: 27-JUNE-2003

Form 97 ZM 10-70

Application No. 53617APPLICATION TO APPROPRIATE WATER
STATE OF UTAH43-8496

NOTE:—The information given in the following blanks should be free from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, for uses indicated by (X) in the proper box or boxes, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

1. Irrigation ☐ Domestic ☐ Stockwatering ☐ Municipal ☐ Power ☐ Mining ☐ Other Uses ☒
2. The name of the applicant is A-1 Tank Rental & Brine Service
3. The Post Office address of the applicant is P. O. Box 1167, Vernal, Utah 84078
4. The quantity of water to be appropriated .015 second-feet and/or _____ acre-feet
5. The water is to be used for Other from Jan. 1 to Dec. 31
(Major Purpose) (Month) (Day) (Month) (Day)
other use period _____ from _____ to _____
(Minor Purpose) (Month) (Day) (Month) (Day)
and stored each year (if stored) from _____ to _____
(Month) (Day) (Month) (Day)
6. The drainage area to which the direct source of supply belongs is _____
(Leave Blank)
7. The direct source of supply is* Underground Water (Well)
(Name of stream or other source)

which is tributary to _____ tributary to _____

*Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the first space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name. If named, and in the remaining space, designate the stream channel to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channel. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.

8. The point of diversion from the source is in Uintah County, situated at a point*
East 400 ft. North 200 ft. from S $\frac{1}{2}$ Cor. Sec. 32, T4S, R3E, USB&M
(in Ouray)

*Note.—The point of diversion must be located definitely by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if at a greater distance, to some prominent and permanent natural object. No application will be received for filing in which the point of diversion is not defined definitely.

9. The diverting and carrying works will consist of a 6-in. well 40 to 100 ft. deep

10. If water is to be stored, give capacity of reservoir in acre-feet _____ height of dam _____
area inundated in acres _____ legal subdivision of area inundated _____

11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:

_____ Total _____ Acres

12. Is the land owned by the applicant? Yes X No _____ If "No," explain on page 2.

13. Is this water to be used supplementally with other water rights? Yes _____ No X

If "yes," identify other water rights on page 2.

14. If application is for power purposes, describe type of plant, size and rated capacity.

15. If application is for mining, the water will be used in _____ Mining District at the _____ mine, where the following ores are mined _____

16. If application is for stockwatering purposes, number and kind of stock watered _____

17. If application is for domestic purposes, number of persons _____, or families _____

18. If application is for municipal purposes, name of municipality _____

19. If application is for other uses, include general description of proposed uses Making Brine Drilling fluid for drilling oil and gas wells

20. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. S $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 32, T4S, R3E, USB&M

21. The use of water as set forth in this application will consume .015 second-feet and/or acre-feet of water and NONE second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows: _____

Page No. 2

EXPLANATORY

The following additional facts are set forth in order to define more clearly the full purpose of the proposed application:

(Use page 4 if additional explanatory is needed.)

The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purpose herein described

[Signature]
Signature of Applicant

*If applicant is a corporation or other organization, signature must be the name of such corporation or organization by its proper officer, or in the name of the partnership by one of the partners, and the names of the other partners shall be listed. If a corporation or partnership, the affidavit below need not be filled in. If there is more than one applicant, a power of attorney, authorizing one to act for all, should accompany the Application.

DECLARATION OF CITIZENSHIP

STATE OF UTAH, Uintah } ss
County of 17th

On the 17th day of August, 1979, personally appeared before me, a notary public for the State of Utah, the above applicant who, on oath, declared that he is a citizen of the United States, or has declared his intention to become a citizen.

My commission expires



[Signature]
Notary Public

RECEIVED

FEES FOR APPLICATIONS TO APPROPRIATE WATER IN UTAH AUG 22 1979

Flow rate — c.f.s.	Cost	
0.0 to 0.1	\$ 15.00	
over 0.1 to 0.5	30.00	
over 0.5 to 1.0	45.00	
over 1.0 to 15.0	45.00	plus \$7.50 for each cfs above the first cubic foot per second.
over 15.0	150.00	
Storage — acre-feet		
0 to 20	22.50	
over 20 to 500	45.00	
over 500 to 7500	45.00	plus \$7.50 for each 500 a.f. above the first 500 acre feet.
over 7500	150.00	

(This section is not to be filled in by applicant)

11:55 a.m.

STATE ENGINEER'S ENDORSEMENTS

1. 17 August 1979 Application received ~~by mail~~ over counter in State Engineer's office by 743
2. Priority of Application brought down to, on account of
3. 8/23/79 Application fee, \$15.00, received by 610 Rec. No. 04730
4. 9/8/79 Application microfilmed by Roll No. 874-4
5. 9/12/79 Indexed by 84 Platted by 12-34-79 (D-4-3) 22-11-5
6. 17 August 1979 Application examined by 743
7. Application returned, or corrected by office
8. Corrected Application resubmitted by mail over counter to State Engineer's office.
9. 17 August 1979 Application approved for advertisement by
10. OCT 11 1979 Notice to water users prepared by 20810
11. OCT 14 1979 Publication began; was completed NOV 1 1979
Notice published in (Globe) 9/22/79
12. 10/19/79 Proof slips checked by 10309
13. Application protested by
14. 11/5/79 Publisher paid by M.E.V. No. 63210
15. Hearing held by
16. Field examination by
17. 12/15/79 Application designated for approval rejection R-2 S.G.
18. 2/1/80 Application copied or photostated by slf proofread by
19. 2/1/80 Application approved
20. Conditions:
 - a. This Application is approved, subject to prior rights, as follows:
 - a. Actual construction work shall be diligently prosecuted to completion.
 - b. Proof of Appropriation shall be submitted to the State Engineer's office by 6/30/82
 - c.
21. Time for making Proof of Appropriation extended to
22. Proof of Appropriation submitted.
23. Certificate of Appropriation, No. issued

Carl M. Staker
For Dee C. Hansen, State Engineer

Application No. 53617

003

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

Retamco Operating Inc., c/o Crazy Mountain Inc.

3. ADDRESS OF OPERATOR:

P.O. Box 577

CITY

Laurel

STATE

MT

ZIP

59044

PHONE NUMBER:

(406) 628-4164

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-72399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

n/a

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Rat Hole Ridge #1

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 605' FNL & 991' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 15S 25E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Exception Location
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

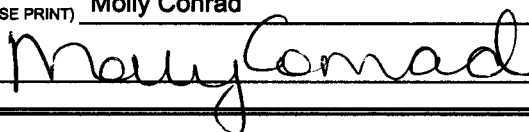
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator requests an exception location for this well due to the topography at the proposed drill site. There are no other lessee's with 460' of the proposed location.

NAME (PLEASE PRINT) Molly Conrad

TITLE Agent for Retamco Operating

SIGNATURE



DATE

9/10/2003

(This space for State use only)

RECEIVED

SEP 16 2003

DIV. OF OIL, GAS & MINING

004

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-72399
2. NAME OF OPERATOR: Retamco Operating Inc., c/o Crazy Mountain Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: P.O. Box 577 CITY Laurel STATE MT ZIP 59044		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 605' FNL & 991' FEL		8. WELL NAME and NUMBER: Rat Hole Ridge #1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 1 15S 25E		9. API NUMBER:
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

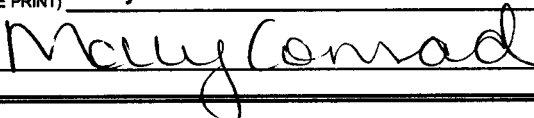
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Trucking Permit
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is the Dalbo Trucking Permit that was requested.

NAME (PLEASE PRINT) **Molly Conrad**TITLE **Agent for Retamco Operating**

SIGNATURE

DATE **9/10/2003**

(This space for State use only)

RECEIVED**SEP 16 2003****DIV. OF OIL, GAS & MINING**

005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

Retamco Operating, Inc. c/o Crazy Mountain Inc.

3. ADDRESS OF OPERATOR:

P.O. Box 577

CITY

Laurel

STATE

MT

ZIP

59044

PHONE NUMBER:

(406) 628-4164

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-72399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

n/a

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Rat Hole Ridge #1

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 605' FNL & 991' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 15S 25E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: ROW POD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is the Right-of-Way Plan of Development for the subject well.

NAME (PLEASE PRINT) Molly Conrad

TITLE Permitting Agent for Retamco Operating Inc.

SIGNATURE

DATE 9/11/2003

(This space for State use only)

RECEIVED

SEP 16 2003

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

5. Lease Serial No.

UTU-72399

6. If Indian, Allottee or Tribe Name
n/a

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Rat Hole Ridge #1

9. API Well No.

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Uintah County, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Retamco Operating Inc, c/o Crazy Mountain Inc.

3a. Address

P.O. Box 577

3b. Phone No. (include area code)

(406) 628-4164

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

605' FNL & 991' FEL

Lot 1, Section 1, T15S, R25E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Right-of-Way
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	POD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Attached is a Right-of- Way Plan of Development for the subject well.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Molly Conrad

Title Permitting Agent for Retamco Operating

Signature

Molly Conrad

Date September 10, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

RECEIVED

SEP 16 2003

DIV. OF OIL, GAS & MINING

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RETAMCO OPERATING, INC.

**PLAN OF DEVELOPMENT
FOR ROAD RIGHT-OF-WAY**

**UTU-72399
RAT HOLE RIDGE #1
LOT 1, SECTION 1, T15S, 25E
UNITAH COUNTY, UTAH**

1. Description of the Facility.

- a. The proposed right-of-way is for an existing two-track road to be upgraded as discussed in the original APD and within this outline.
- b. The use of the right-of-way will be dependent on the production life of the subject well; the operator requests a 30-year, renewable grant.
- c. The road would provide the operator access to the wellsite for contractors. The road also is used from public travel. The type of vehicles and volumes of traffic are outlined below:

PREAPPROVAL & PERMITTING:

<u>EMPLOYMENT CATEGORY</u>	<u>NO. OF VEHICLES</u>	<u>DURATION</u>	<u>COMMENTS</u>
Company Personnel	Two	One-Trip/well	Light Pickup
BLM Personnel	One	Two trips per well	Light Pickup
Permitting Contractor	One	One Trip per well	Light Pickup
Surveyors	Two	Two trips per well	Light Pickup
Archeologist	One	Two trips per well	Light Pickup

DRILLING OPERATIONS:

<u>EMPLOYMENT CATEGORY</u>	<u>NO. OF VEHICLES</u>	<u>DURATION</u>	<u>COMMENTS</u>
Road/Drillsite Construction	Three	Five to Seven Days	First & last trip heavy truck All other trips light pickup
Drilling Rig Transportation/Setup	Heavy Trucks	Fifteen (15)	Four Days
Drilling Engineer	One	Two trips per well	Light Pickup
Drilling Foreman	One	Two trips per well	Light Pickup
Mudlogger/Mud Engineer	One	Seven Days	Light Pickup
Toolpusher	One	30 Days	Light Pickup
Rig Crews	Two	Two trips per day	Light Pickup
Well Service	Two	30 Days	Light Pickup

COMPLETION AND TESTING:

<u>EMPLOYMENT CATEGORY</u>	<u>NO. OF VEHICLES</u>	<u>DURATION</u>	<u>COMMENTS</u>
Completion Foreman	One	20 Days	Light Pickup
Casing Crew	Five	Two Days	Heavy Truck
Cementing Crew	Four	Two Days	Heavy Truck
Toolpusher	One	20 Days	Light Pickup
Completion Rig Crew	Two	30 Days	Light Pickup
Well Testers	Two	15 Days	Heavy Truck
Perforators	Two	Two Days	Heavy Truck
Fracturing Crew	Fifteen	Two Days	Heavy Truck
Completion Service Crew	Two	Five Days	Heavy Truck

FIELD DEVELOPMENT:

<u>EMPLOYMENT CATEGORY</u>	<u>NO. OF VEHICLES</u>	<u>DURATION</u>	<u>COMMENTS</u>
Gathering System Construction	Three	Four Days	Light Pickup

PRODUCTION:

<u>EMPLOYMENT CATEGORY</u>	<u>NO. OF VEHICLES</u>	<u>DURATION</u>	<u>COMMENTS</u>
Production Foreman	One	One trip per day For life of well	Light Pickup

- d. The road would be used on a year-around basis.
- e. Please see Map A and Map B. The road is an existing two-track originating from Rainbow, Utah and the destination is the proposed Rat Hole Ridge #1 well.
- f. The width of the road is 30' wide with an 18' running surface.
- g. The Operator requests that a 30-year renewable right-of-way be granted.

FACILITY DESIGN FACTORS:

- a. The Operator will adhere to the Gold Book Standards for light use roads.
- b. The maximum grade of the road is 8%, please see Map A for road alignment.
- c. The road does require barrow/drainage ditches, which will be constructed using native materials. No culverts, bridges or low-water crossings will be needed.
- d. The road will not be surfaced.
- e. If a need for surfacing arises native materials will be used.
- f. Not applicable.
- g. Not applicable.
- h. The type of equipment needed for upgrading the existing road will be a dozer and motor grader.
- i. Approximately one-half (8/10 of a mile) of the proposed right-of-way is in Garfield County, Colorado – please refer to Map A. The operator understands that this right-of-way application and the Application for Permit to Drill is concurrent with the Vernal BLM and Meeker BLM offices with the Vernal BLM office taking the lead in this matter.

ADDITIONAL COMPONENTS OF THE PROPOSED RIGHT-OF-WAY:

- a. Please refer Map A and Map B for detail of the existing road systems.
- b. The operator does not anticipate any additional storage areas or vehicle parking area during upgrading of the access road
- c. No road maintenance agreements with other individuals are needed.
- d. Corps of Engineers Section 404 permit not needed.
- e. No other state or local permits, easements or dedications are needed.
- f. No maintenance agreements with local or State Governments are needed.
- g. The proposed well, if produced, will be a gas well and the product will be transported by a 4" steel surface pipeline, please see attached Plan of Development for Pipeline.

RIGHT-OF-WAY LOCATION:

- a. Road cross-sections and plans and profile done in accordance to the Standard Gold Book.
- b. Please refer to Map B for section corner ties.
- c. Please refer to Map A and Map B.
- d. Approximately 8/10 of a mile of the right-of-way falls within Garfield County, Colorado.
(.8 mile x 5260' = 4224' of road. 30' width x 4224' of road = 126720 sq. ft / 43560 sq ft within an acre = 2.9 acres of right-of-way)
The calculations for the right-of-way on the Utah BLM land is as follows:
(4672' x 30' width = 140160 sq feet / 43560 = 3.2 acres of right-of-way)
- e. Cut and fill diagrams are not needed.

SCHEDULING:

- a. The Operator would commence upgrading the existing road as soon as possible after the approval of the Application for Permit to Drill and the duration of the operation would be approximately ten days.

REHABILITATION AFTER CONSTRUCTION:

- a. The proposed right-of-way is for existing road and no rehabilitation plans are being proposed.

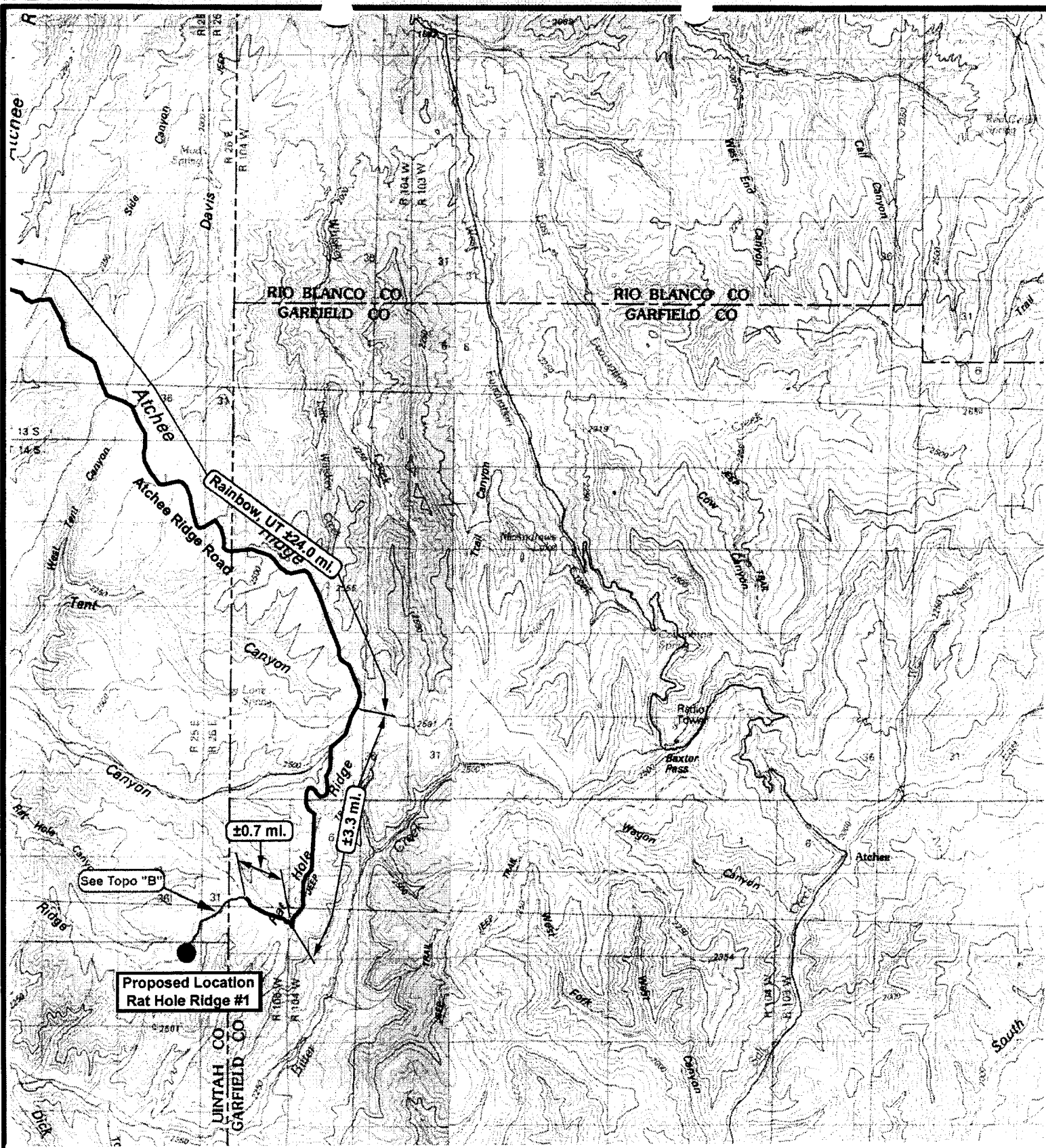
CONSTRUCTION OF THE FACILITY:

- a. This right-of-way is not considered a **major** construction project; therefore, no engineering plans are required.

OPERATION AND MAINTENANCE OF THE FACILITY:

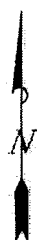
- a. Operator will follow standard oilfield maintenance procedures for maintaining the right-of-way.

Please refer to the original Application for Permit to Drill for additional information regarding this right-of-way and the proposed upgrade of the existing two-track road for access to this well. It is understood by the Operator that the Vernal Bureau of Land Management office will head the approval of this right-of-way in concurrence with the Meeker, Colorado Bureau of Land Management office and that separate applications and plans of development are not needed.



RETAMCO
OPERATING INC.

**Well Pad Rat Hole Ridge #1
SEC. 1, T15S, R25E, S.L.B.&M.**



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

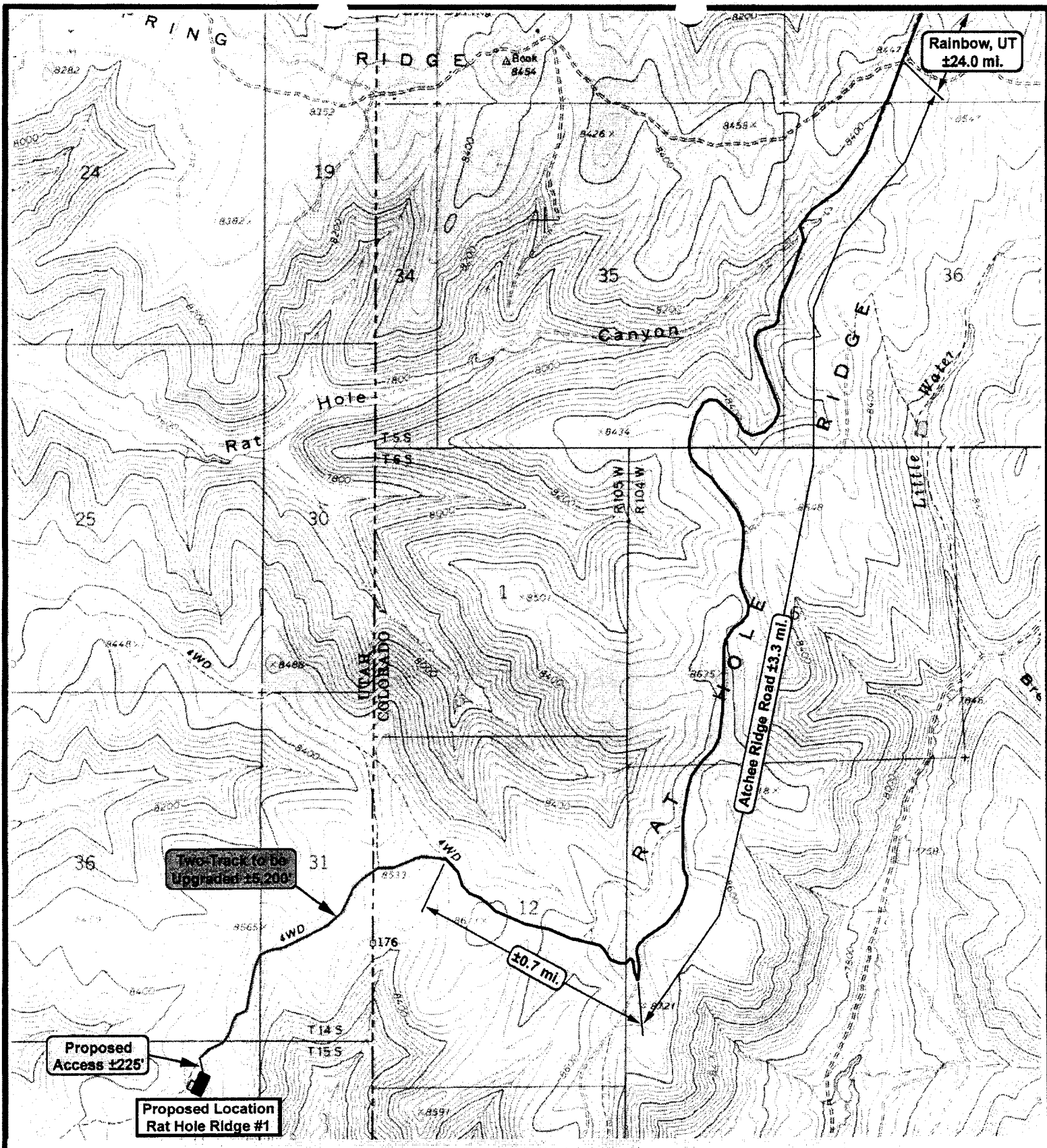
SCALE: 1 = 100,000
DRAWN BY: R.A.B.
DATE: 05-30-2003

Legend

Existing Road
Proposed Access

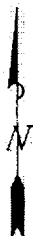
TOPOGRAPHIC MAP

"A"



RETAMCO
OPERATING INC.

**Well Pad Rat Hole Ridge #1
SEC. 1, T15S, R25E, S.L.B.&M.**



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: R.A.B.

DATE: 05-28-2003

Legend

- Existing Road
- Proposed Access
- Upgraded Access

TOPOGRAPHIC MAP

"B"



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

September 16, 2003

Retamco Operating, Inc.
P O Box 577
Laurel, MT 59044

Re: Rat Hole Ridge #1 Well, 605' FNL, 991' FEL, NE NE, Sec. 1, T. 15 South, R. 25 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35056.

Sincerely,

A handwritten signature in black ink, appearing to read 'J.R. Baza', written over a horizontal line.

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Retamco Operating, Inc.
Well Name & Number Rat Hole Ridge #1
API Number: 43-047-35056
Lease: UTU72339

Location: NE NE **Sec.** 1 **T.** 15 South **R.** 25 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

009

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-72389
2. NAME OF OPERATOR: Retamco Operating Inc. c/o Crazy Mountain Inc.		7. UNIT or CA AGREEMENT NAME: n/a
3. ADDRESS OF OPERATOR: P.O. Box 577 CITY Laurel STATE MT ZIP 59044		8. WELL NAME and NUMBER: Rat Hole Ridge #1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 605' FNL & 991' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 15S 25E		9. API NUMBER: 43-047-35056
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: Uintah STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extend APD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator requests that the Application for Permit to Drill for this well be extended for the period of one (1) year from the date of expiration.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 11-01-04

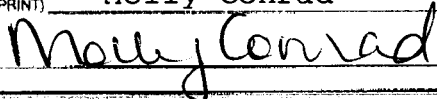
By: 

COPY SENT TO OPERATOR
Date: 11-01-04
Initials: CMO

NAME (PLEASE PRINT) Molly Conrad

TITLE Agent for Retamco Operating Inc.

SIGNATURE



DATE

October 25, 2004

(This space for State use only)

RECEIVED

OCT 29 2004

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35056
Well Name: Rat Hole Ridge #1
Location: NENE Section 1, T15S, R25E, Uintah County Utah
Company Permit Issued to: Retamco Operating Incv.
Date Original Permit Issued: September 16, 2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐ On Federal Land

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Mary Conrad
Signature

10-25-04

Date

Title: Agent for Retamco Operating Inc.

Representing: _____

**RECEIVED
OCT 29 2004**

DIV. OF OIL, GAS & MINING



Crazy Mountain, Inc. DBA
Crazy Mountain Oil & Gas Services
P.O. Box 577
306 East 4th Street
Laurel, MT 59044

October 19, 2005

Carol Daniels
State of Utah
Division of Oil, Gas & Mining
1594 West North Temple
P.O. Box 145801
Salt Lake City, UT 84114-5801

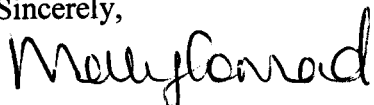
Dear Carol:

RE: Operator: Retamco Operating Inc.
Rat Hole Ridge #1
NENE Section 1, T15S, R25E
Uintah County, Utah
API # 43-047-35056

Attached is a request to extend the subject APD for a period of one year. Retamco Operating is working with the Vernal District BLM to permit an alternate pipeline route to tie into a Canyon Gas pipeline within four miles of the well location. I will be submitting sundry notices to notify the state of our alternate plans.

Please feel free to contact me if you have questions or concerns.

Sincerely,


Molly Conrad
Agent for Retamco Operating Inc.

Cc: Joe Glennon – Retamco Operating Inc.

RECEIVED

OCT 21 2005

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU72399
2. NAME OF OPERATOR: Retamco Operating Inc., c/o Crazy Mountain Inc.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: P.O. Box 577 CITY Laurel STATE MT ZIP 59044	7. UNIT or CA AGREEMENT NAME: n/a
PHONE NUMBER: (406) 628-4165	8. WELL NAME and NUMBER: Rat Hole Ridge #1
	9. API NUMBER: 4304735056
	10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL FOOTAGES AT SURFACE: 605' FNL & 991' FEL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 1 15S 25E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extend APD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Operator requests that the APD for this well be extended for a period of one (1) year from the date of expiration.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-25-05
By: [Signature]

COPIES SENT TO OPERATOR
11-8-05
CHD

NAME (PLEASE PRINT) <u>Molly Conrad</u>	TITLE <u>Agent for Retamco Operating Inc.</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/19/2005</u>

(This space for State use only)

RECEIVED
OCT 21 2005

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-035056
Well Name: Rat Hole Ridge #1
Location: NENE Section 1, T15S, R25E, Uintah County, UT
Company Permit Issued to: Retamco Operating Inc.
Date Original Permit Issued: 9/16/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐ ON FEDERAL LAND.

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Molly Conrad
Signature

10/18/2005
Date

Title: Agent for Retamco Operating Inc.

Representing: Retamco Operating Inc.

RECEIVED

OCT 21 2005

DEPT. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

8. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-72399

9. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Rat Hole Ridge #1

9. API NUMBER:

4304735056

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

Retamco Operating, INC

3. ADDRESS OF OPERATOR:

8801 HWY 212

CITY Roberts

STATE MT

ZIP 59070

PHONE NUMBER:

(406) 445-2016

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 605' FNL & 991' FEL

COUNTY: Uintah

QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot1 1 15S 25E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE☐ ALTER CASING☐ CASING REPAIR☐ CHANGE TO PREVIOUS PLANS☐ CHANGE TUBING☐ CHANGE WELL NAME☐ CHANGE WELL STATUS☐ COMMINGLE PRODUCING FORMATIONS☐ CONVERT WELL TYPE☐ DEEPEN☐ FRACTURE TREAT☐ NEW CONSTRUCTION☐ OPERATOR CHANGE☐ PLUG AND ABANDON☐ PLUG BACK☐ PRODUCTION (START/RESUME)☐ RECLAMATION OF WELL SITE☐ RECOMPLETE - DIFFERENT FORMATION☐ REPERFORATE CURRENT FORMATION☐ SIDETRACK TO REPAIR WELL☐ TEMPORARILY ABANDON☐ TUBING REPAIR☐ VENT OR FLARE☐ WATER DISPOSAL☐ WATER SHUT-OFF☒ OTHER: Extend APD

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator respectfully requests the Application for Permit to Drill for the subject well be extended for a period of one (1) year from the date of expiration. Please find the attached form.

Ginger Stringham
AGENT for Retamco Operating, INC
PO BOX 790203
Vernal, UT 84089
435-789-4162

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 11-30-06

By: 

APPROVED BY OPERATOR

Date: 12-4-06

By: Km

NAME (PLEASE PRINT) Ginger Stringham

TITLE Agent

SIGNATURE 

DATE 11/30/2006

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 430473806
Well Name: Rat Hole Ridge #1
Location: Lot 1, Sec. 1, T15S, R25E, Uintah County, UT
Company Permit Issued to: Retamco Operating, INC
Date Original Permit Issued: September 16, 2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒ Federal Land

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Finian Stringham
Signature

11/30/06
Date

Title: Agent

Representing: Retamco Operating, INC

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Retamco Operating Inc.

3. ADDRESS OF OPERATOR:
8601 Hwy 212 CITY Roberts STATE MT ZIP 59070 PHONE NUMBER: (406) 445-2016

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 605' FNL & 991' FEL

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Lot 1 1S 25E

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-72399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
Rat Hole Ridge #1

9. API NUMBER:
4304735056

10. FIELD AND POOL, OR WILDCAT:
Wildcat

COUNTY: Uintah

STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator respectfully requests to extend approval for the subject location for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-18-07
By: [Signature]

COPY SENT TO OPERATOR
Date: 10-19-07
Initials: RM

NAME (PLEASE PRINT) Ginger Stringham

TITLE Agent

SIGNATURE [Signature]

DATE 10/17/2007

(This space for State use only)

RECEIVED

OCT 18 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35056
Well Name: Rat Hole Ridge #1
Location: 605' FNL & 991' FEL
Company Permit Issued to: Retamco Operating Inc
Date Original Permit Issued: 9/16/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

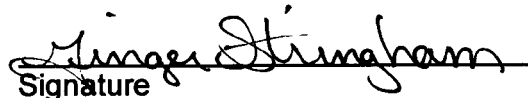
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

10/17/2007

Date

Title: Agent

Representing: Retamco Operating Inc.

RECEIVED
OCT 18 2007
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 17, 2008

Retamco Operating, Inc.
P O Box 790
Red Lodge, MT 59068

Re: APD Rescinded – Rat Hole Ridge #1, Sec. 1, T. 15S, R. 25E –
Uintah County, Utah, API No. 43-047-35056

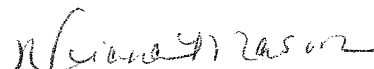
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 16, 2003. On November 1, 2004, October 25, 2005, November 30, 2006 and October 18, 2007 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 17, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Green River District-Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
<http://www.blm.gov/ut/st/en/fo/vernal.html>

IN REPLY REFER TO:
3160
UTG011

43-047-35052

September 14, 2009

Joe Glennon
Retamco Operating, Inc.
PO Box 790
Red Lodge, MT 59068

Re: Request to Return APD
Well No. Rat Hole Ridge 1
Lot 1, Sec. 1, T15S, R25E
Uintah County, Utah
Lease No. UTU-72399
Gorge Spring Unit

Dear Mr. Glennon:

The Application for Permit to Drill (APD) for the above referenced well received in this office on June 18, 2003 is being returned unapproved per your request in an email message received on September 14, 2009 to Administrative Assistant Marta Call. Your message stated that Retamco Operating, Inc., did not intend to complete permitting or any other efforts to drill in this area at this time. This APD is holding the leases within the Gorge Spring Unit. The lease suspensions will terminate once this APD is returned.

Retamco Operating, Inc., has the right to a State Director review of this decision as per the procedures outlined in 43 CFR 3165.3. If you have any questions regarding this matter or APD processing, please contact me at (435) 781-4469.

Sincerely,

Stephanie J. Howard
Acting Assistant Field Manager
Lands & Minerals Resources

cc: UDOGM
Ginger Bowden, Paradigm Consulting, Inc.

RECEIVED

OCT 08 2009

DIV. OF OIL, GAS & MINING